

**NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.**

**Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.**

## FISCAL IMPACT REPORT

SPONSOR: Rios DATE TYPED: 02/08/01 HB 236  
 SHORT TITLE: Magistrate Retirement Benefits SB \_\_\_\_\_  
 ANALYST: Eaton

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	NFI			

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

Public Employees Retirement Association (PERA)  
 Administrative Office of the Courts

### SUMMARY

#### Synopsis of Bill

This bill adds a subsection to the Magistrate Retirement Act that will allow a retired magistrate judge to become an elected official without suspension of pension benefits if he or she files an irrevocable exemption from membership from any state system within 30 days of taking office.

#### Significant Issues

The policy issue is whether retired magistrate judges should continue to receive their pension benefits in addition to any salary they receive as an elected official. Currently, the pension benefits for magistrates are suspended upon subsequent employment by any state or educational retirement system. "State system" is defined in the Magistrate Retirement Act as the Public Employees Retirement Act, the Magistrate Retirement Act and the Judicial Retirement Act. NMSA 1978, §10-12C-2(Q).

PERA retirees have a provision (NMSA 1978, §10-11-8(F)), which allows state retirees to continue to receive their pension and a salary as an elected official, if they irrevocably opt out of other state retirement systems within 30 days of taking office. "State system" does not include the Educational Retirement Board. If this provision for magistrate judges passes, only the retirees under the Judicial Retirement Act will have to suspend their pension upon election to a "state system" position.

### ADMINISTRATIVE IMPLICATIONS

**House Bill 236 -- Page 2**

Minimal. PERA will have to track the irrevocable exemptions.

JBE/lrs