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HOUSE BILL 14

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Ben Lujan

AN ACT

RELATING TO PUBLIC EMPLOYEES' RETIREMENT; EXEMPTING RETIREES WHO RETURN TO WORK FOR THE LEGISLATURE DURING A LEGISLATIVE SESSION FROM THE CONTRIBUTION REQUIREMENTS OF THE PUBLIC EMPLOYEES RETIREMENT ACT; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 10-11-8 NMSA 1978 (being Laws 1987, Chapter 253, Section 8, as amended) is amended to read:

"10-11-8. NORMAL RETIREMENT--RETURN TO EMPLOYMENT-- BENEFITS CONTINUED--EMPLOYER CONTRIBUTIONS. --

A. A member may retire upon fulfilling the following requirements:

(1) a written application for normal retirement, in the form prescribed by the association, is filed with the association prior to the selected date of retirement;

underscored material = new
[bracketed material] = deleted

1 (2) employment is terminated with all
2 employers covered by any state system or the educational
3 retirement system prior to the selected date of retirement;

4 (3) the member selects an effective date of
5 retirement that is the first day of a calendar month; and

6 (4) the member meets the age and service
7 credit requirement for normal retirement specified in the
8 coverage plan applicable to the member.

9 B. The amount of normal retirement pension is
10 determined in accordance with the coverage plan applicable to
11 the member.

12 C. A retired member may be subsequently employed by
13 an affiliated public employer if the following conditions
14 apply:

15 (1) the member has not been employed as an
16 employee of an affiliated public employer for at least ninety
17 consecutive days from the date of retirement to the
18 commencement of employment or re-employment with an affiliated
19 public employer. If the retired member returns to employment
20 without first completing ninety consecutive days of retirement,
21 the retired member shall remove himself from retirement;

22 (2) a retired member who returns to employment
23 shall be required to make contributions to the fund as
24 specified in the Public Employees Retirement Act. The
25 affiliated public employer's contributions as specified in that

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[bracketed material] = delete

1 act or as adjusted for full actuarial cost at the determination
2 of the association shall be paid to the fund; and

3 (3) a retired member who returns to employment
4 during retirement pursuant to this subsection is entitled to
5 receive retirement benefits but is not entitled to acquire
6 service credit or to acquire or purchase service credit in the
7 future for the period of the retired member's re-employment
8 with an affiliated public employer.

9 D. The provisions of Paragraph (2) of Subsection C
10 of this section do not apply to a retired member employed by
11 the legislature for legislative session work.

12 [~~D-~~] E. The pension of a member who has three or
13 more years of service credit under each of two or more coverage
14 plans shall be determined in accordance with the coverage plan
15 that produces the highest pension. The pension of a member who
16 has service credit under two or more coverage plans but who has
17 three or more years of service credit under only one of those
18 coverage plans shall be determined in accordance with the
19 coverage plan in which the member has three or more years of
20 service credit. If the service credit is acquired under two
21 different coverage plans applied to the same affiliated public
22 employer as a consequence of an election by the members,
23 adoption by the affiliated public employer or a change in the
24 law that results in the application of a coverage plan with a
25 greater pension, the greater pension shall be paid a member

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1 retiring from the affiliated public employer under which the
2 change in coverage plan took place regardless of the amount of
3 service credit under the coverage plan producing the greater
4 pension; provided the member has three or more years of
5 continuous employment with that affiliated public employer
6 immediately preceding or immediately preceding and immediately
7 following the date the coverage plan changed. The provisions
8 of each coverage plan for the purpose of this subsection shall
9 be those in effect at the time the member ceased to be covered
10 by the coverage plan. "Service credit", for the purposes of
11 this subsection, shall be only personal service rendered an
12 affiliated public employer and credited to the member under the
13 provisions of Subsection A of Section 10-11-4 NMSA 1978.
14 Service credited under any other provision of the Public
15 Employees Retirement Act shall not be used to satisfy the
16 three-year service credit requirement of this subsection. "

17 Section 2. EMERGENCY. --It is necessary for the public
18 peace, health and safety that this act take effect immediately.

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