

AN ACT

RELATING TO JUDICIAL RETIREMENT; INCREASING RATES FOR MEMBER AND EMPLOYER CONTRIBUTIONS; CHANGING THE REQUIREMENTS FOR RETIREMENT AND PENSIONS FOR NEW MEMBERS.

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

Section 1. Section 10-12B-8 NMSA 1978 (being Laws 1992, Chapter 111, Section 8) is amended to read:

"10-12B-8. AGE AND SERVICE CREDIT REQUIREMENTS FOR NORMAL RETIREMENT.--

A. For an individual who initially became a member prior to July 1, 2005, the age and service credit requirements for retirement provided for in the Judicial Retirement Act are:

(1) age sixty-four or older and five or more years of service credit; or

(2) age sixty or older and fifteen or more years of service credit.

B. For an individual who initially became a member on or after July 1, 2005, the age and service credit requirements for retirement provided for in the Judicial Retirement Act are:

(1) age sixty-four or older and five or more years of service credit; or

(2) age fifty-five or older and sixteen or

more years of service credit.

C. If a member leaves office for any reason, other than removal pursuant to Article 6, Section 32 of the constitution of New Mexico, before meeting the age and service credit requirements for retirement pursuant to the provisions of this section and if that member leaves his member contributions on deposit in the fund, that member may apply for retirement when that member meets the age and service credit requirements for retirement pursuant to the provisions of the Judicial Retirement Act or provisions of the Public Employees Retirement Reciprocity Act.

D. No member shall be eligible to receive a pension pursuant to the provisions of the Judicial Retirement Act while still in office."

Section 2. Section 10-12B-9 NMSA 1978 (being Laws 1992, Chapter 111, Section 9) is amended to read:

"10-12B-9. AMOUNT OF PENSION.--The amount of monthly pension is equal to:

A. In the case of a former or current judge or justice, an amount equal to one-twelfth of:

seventy-five percent of salary	number of years of
received during last year in	X service, not exceeding
office prior to retirement	ten years, divided
	by ten;

B. In the case of a new judge or justice who

initially became a member prior to July 1, 2005, an amount equal to one-twelfth of:

seventy-five percent of (number of years
salary received during X .05 X service, not exceeding
last year in office prior fifteen years, plus
to retirement five years); or

C. In the case of a new judge or justice who initially became a member on or after July 1, 2005, an amount equal to one-twelfth of the salary received during the last year in office prior to retirement multiplied by the product of three and seventy-five hundredths percent times the sum of the number of years of service; provided that a pension calculated pursuant to this subsection shall not exceed seventy-five percent of one-twelfth of the salary received during the last year in office."

Section 3. Section 10-12B-10 NMSA 1978 (being Laws 1992, Chapter 111, Section 10, as amended) is amended to read:

"10-12B-10. MEMBER CONTRIBUTIONS--TAX TREATMENT.--

A. Members, while in office, shall contribute to the member contribution fund pursuant to the following schedule:

(1) prior to July 1, 2005, five and one-half percent of salary;

(2) from July 1, 2005 through June 30, 2006, six and one-half percent of salary; and

(3) on and after July 1, 2006, seven and one-

half percent of salary.

B. Upon implementation, the state, acting as employer of members covered pursuant to the provisions of the Judicial Retirement Act, shall, solely for the purpose of compliance with Section 414(h) of the Internal Revenue Code of 1986, pick up for the purposes specified in that section member contributions required by this section for all annual salary earned by the member. Member contributions picked up pursuant to the provisions of this section shall be treated as employer contributions for purposes of determining income tax obligations under the Internal Revenue Code of 1986; however, such picked-up member contributions shall be included in the determination of the member's gross annual salary for all other purposes under federal and state laws. Member contributions picked up pursuant to the provisions of this section shall continue to be designated member contributions for all purposes of the Judicial Retirement Act and shall be considered as part of the member's annual salary for purposes of determining the amount of the member's contribution. The provisions of this section are mandatory, and the member shall have no option concerning the pickup or concerning the receipt of the contributed amounts directly instead of having the amounts paid by the employer to the retirement system. Implementation occurs upon authorization by the board. In no event may implementation occur other than at the beginning of

a pay period applicable to the member."

Section 4. Section 10-12B-11 NMSA 1978 (being Laws 1992, Chapter 111, Section 11, as amended) is amended to read:

"10-12B-11. EMPLOYER CONTRIBUTIONS.--

A. The member's court shall contribute the following amounts to the fund:

(1) prior to July 1, 2005, nine percent of salary for each member in office;

(2) from July 1, 2005 through June 30, 2006, ten and one-half percent of salary for each member in office; and

(3) on and after July 1, 2006, twelve percent of salary for each member in office.

B. Thirty-eight dollars (\$38.00) from each civil case docket fee paid in the district court, twenty-five dollars (\$25.00) from each civil docket fee paid in metropolitan court and ten dollars (\$10.00) from each jury fee paid in metropolitan court shall be paid by the court clerk to the employer's accumulation fund."

Section 5. Section 10-12B-12 NMSA 1978 (being Laws 1992, Chapter 111, Section 12) is amended to read:

"10-12B-12. EARLY RETIREMENT.--

A. Any member who initially became a member prior to July 1, 2005 and has not less than eighteen years of service credit may elect to retire at any time between age fifty and

age sixty and receive a monthly pension that is one-twelfth of the following formula:

Salary received X .7 + (.005 X Number of years
during the last between age fifty
full year in office and the age at
prior to retirement retirement).

B. The provisions of the Public Employees Retirement Reciprocity Act and the provisions of the Judicial Retirement Act regarding cost-of-living adjustments shall apply to the provisions of this section."
