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HOUSE BILL 547

47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006

INTRODUCED BY

Justine Fox-Young

AN ACT

RELATING TO LEGISLATIVE RETIREMENT; PROVIDING THAT CURRENT AND FUTURE LEGISLATORS AND LIEUTENANT GOVERNORS ARE NO LONGER ELIGIBLE FOR COVERAGE PLAN 2; APPLYING THE PROVISIONS OF COVERAGE PLAN 1 TO CURRENT AND FUTURE LEGISLATORS AND LIEUTENANT GOVERNORS.

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

Section 1. Section 10-11-39 NMSA 1978 (being Laws 1987, Chapter 253, Section 39, as amended) is amended to read:

"10-11-39. STATE LEGISLATOR MEMBER COVERAGE PLAN 1-- APPLICABILITY.--State legislator member coverage plan 1 is applicable to state legislators and lieutenant governors who served terms of office that ended:

A. on or before December 31, 2002; or

B. on or after January 1, 2006."

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1 Section 2. Section 10-11-41 NMSA 1978 (being Laws 1987,
2 Chapter 253, Section 41, as amended) is amended to read:

3 "10-11-41. STATE LEGISLATOR MEMBER COVERAGE PLAN 1--
4 AMOUNT OF PENSION--FORM OF PAYMENT A.--

5 A. Prior to January 1, 2004, under state legislator
6 member coverage plan 1, the annual amount of pension under form
7 of payment A is equal to two hundred fifty dollars (\$250)
8 multiplied by credited service as a legislator or lieutenant
9 governor, if the member served as legislator or lieutenant
10 governor after December 31, 1959 and [~~his~~] the member's service
11 ended on or before December 31, 2002.

12 B. Under state legislator member coverage plan 1,
13 the annual amount of pension under form of payment A is equal
14 to forty dollars (\$40.00) multiplied by credited service as a
15 legislator or lieutenant governor, if all service as a
16 legislator or lieutenant governor is prior to January 1, 1960.

17 C. After December 31, 2003, under state legislator
18 member coverage plan 1, the annual amount of pension under form
19 of payment A is equal to:

20 (1) the amount in Subsection A of this section
21 if the member makes no additional contributions pursuant to
22 Subsection B of Section 10-11-42 NMSA 1978; or

23 (2) five hundred dollars (\$500) multiplied by
24 the years of credited service as a legislator or lieutenant
25 governor, if the state legislator member:

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1 (a) makes additional contributions by
2 December 31, 2003 pursuant to Subsection B of Section 10-11-42
3 NMSA 1978;

4 (b) was serving as a member of the
5 legislature or as lieutenant governor on January 1, 2006 and is
6 no longer eligible for state legislator member coverage plan 2
7 but timely elected to be covered by that plan and made all
8 payments required by Sections 10-11-43.4 and 10-11-43.6 NMSA
9 1978; or

10 (c) first took office on or after
11 January 1, 2006 and elected, within one hundred eighty days of
12 first taking office, to be a member."

13 Section 3. Section 10-11-42 NMSA 1978 (being Laws 1987,
14 Chapter 253, Section 42, as amended) is amended to read:

15 "10-11-42. STATE LEGISLATOR MEMBER COVERAGE PLAN 1--
16 MEMBER CONTRIBUTION RATE.--

17 A. Prior to January 1, 2004, a member under state
18 legislator member coverage plan 1 shall contribute one hundred
19 dollars (\$100) for each year of credited service earned after
20 December 31, 1959.

21 B. Except as provided in Subsection C or D of this
22 section, to be eligible for the pension amount in Paragraph (2)
23 of Subsection C of Section 10-11-41 NMSA 1978, a member under
24 state legislator member coverage plan 1 must contribute one
25 hundred dollars (\$100) for each year of credited service earned

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1 after December 31, 1959 and must make that required
2 contribution no later than December 31, 2003.

3 C. A member who was serving as a member of the
4 legislature or as lieutenant governor on January 1, 2006 and is
5 no longer eligible for state legislator member coverage plan 2
6 but who timely elected to be covered by that plan and made all
7 payments required by Sections 10-11-43.4 and 10-11-43.6 NMSA
8 1978 is eligible for the pension amount in Paragraph (2) of
9 Subsection C of Section 10-11-41 NMSA 1978 if the member
10 continues contributions of one hundred dollars (\$100) for each
11 year of service; provided that, at the member's option, the
12 amount contributed under Sections 10-11-43.4 and 10-11-43.6
13 NMSA 1978 above the required one hundred dollars (\$100) for
14 each year of service shall be refunded to the member or
15 credited against future amounts due.

16 D. A member who first took office on or after
17 January 1, 2006 and who timely elected to become a member is
18 eligible for the pension amount in Paragraph (2) of Subsection
19 C of Section 10-11-41 NMSA 1978 upon the payment of one hundred
20 dollars (\$100) for each year of service."

21 Section 4. Section 10-11-43.1 NMSA 1978 (being Laws 2003,
22 Chapter 85, Section 7) is amended to read:

23 "10-11-43.1. STATE LEGISLATOR MEMBER COVERAGE PLAN 2--
24 APPLICABILITY.--State legislator member coverage plan 2 is
25 applicable to state legislators who receive no salary for their

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1 legislative service and lieutenant governors who serve terms of
2 office that end after December 31, 2002 but only if the state
3 legislator or lieutenant governor completed all service prior
4 to January 1, 2006. To be covered under state legislator
5 member coverage plan 2, a state legislator or lieutenant
6 governor must elect to be a member no later than one hundred
7 eighty days after first taking office or, for state legislators
8 and the lieutenant governor serving on July 1, 2003, within one
9 hundred eighty days of that date."

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