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HOUSE BILL 1091

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY
Mimi Stewart

AN ACT

RELATING TO EDUCATIONAL RETIREMENT; AMENDING THE EDUCATIONAL
RETIREMENT ACT TO INCREASE THE RETIREMENT BENEFIT AND CHANGE
THE CALCULATION OF THE AVERAGE ANNUAL SALARY.

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

Section 1 Section 22-11-30 NMSA 1978 (being Laws 1967,
Chapter 16, Section 153, as amended) is amended to read:

"22-11-30. RETIREMENT BENEFITS.--

A. Retirement benefits for a member retired
pursuant to the Educational Retirement Act on or before
June 30, 1967 shall be paid monthly and shall be one-twelfth of
a sum equal to one and one-half percent of the first four
thousand dollars (\$4,000) of the member's average annual salary
and one percent of the remainder of the member's average annual
salary multiplied by the number of years of the member's total

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1 service credit.

2 B. Retirement benefits for a member retired
3 pursuant to the Educational Retirement Act on or after July 1,
4 1967 but on or before June 30, 1971 shall be paid monthly and
5 shall be one-twelfth of a sum equal to one and one-half percent
6 of the first six thousand six hundred dollars (\$6,600) of the
7 member's average annual salary and one percent of the remainder
8 of the member's average annual salary multiplied by the number
9 of years of the member's total service credit.

10 C. Retirement benefits for a member retired
11 pursuant to the Educational Retirement Act on or after July 1,
12 1971 but on or before June 30, 1974 shall be paid monthly and
13 shall be one-twelfth of a sum equal to one and one-half percent
14 of the member's average annual salary multiplied by the number
15 of years of the member's total service credit.

16 D. Retirement benefits for a member retired
17 pursuant to the Educational Retirement Act on or before
18 June 30, 1974 but returning to employment on or after July 1,
19 1974 for a cumulation of one or more years shall be computed
20 pursuant to Subsection E of this section. Retirement benefits
21 for a member retired pursuant to the Educational Retirement Act
22 on or before June 30, 1974 but returning to employment on or
23 after July 1, 1974 for a cumulation of less than one year shall
24 be computed pursuant to Subsection A of this section if [his]
25 the member's date of last retirement was on or before June 30,

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1 1967 or pursuant to Subsection B of this section if [~~his~~] the
2 member's date of last retirement was on or after July 1, 1967
3 but not later than June 30, 1971 or pursuant to Subsection C of
4 this section if [~~his~~] the member's date of last retirement was
5 on or after July 1, 1971 but not later than June 30, 1974.

6 E. Retirement benefits for a member age sixty or
7 over, retired pursuant to the Educational Retirement Act on or
8 after July 1, 1974 but not later than June 30, 1987, shall be
9 paid monthly and shall be one-twelfth of a sum equal to:

10 (1) one and one-half percent of the member's
11 average annual salary multiplied by the number of years of
12 service credit for:

13 (a) prior employment; and

14 (b) allowed service credit for service
15 performed prior to July 1, 1957, except United States military
16 service credit purchased pursuant to Paragraph (3) of
17 Subsection A of Section 22-11-34 NMSA 1978; plus

18 (2) two percent of the member's average annual
19 salary multiplied by the number of years of service credit for:

20 (a) contributory employment;

21 (b) allowed service credit for service
22 performed after July 1, 1957; and

23 (c) United States military service
24 credit for service performed prior to July 1, 1957 and
25 purchased pursuant to Paragraph (3) of Subsection A of Section

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1 22-11-34 NMSA 1978.

2 F. Retirement benefits for a member age sixty or
3 over, retired pursuant to the Educational Retirement Act on or
4 after July 1, 1987 but not later than June 30, 1991, shall be
5 paid monthly and shall be one-twelfth of a sum equal to two and
6 fifteen hundredths percent of the member's average annual
7 salary multiplied by the number of years of the member's total
8 service credit; provided that this subsection shall not apply
9 to any member who was retired in any of the four quarters
10 ending on June 30, 1987 without having accumulated not less
11 than 1.0 years earned service credit after June 30, 1987.

12 G. Retirement benefits for a member age sixty or
13 over, retired pursuant to the Educational Retirement Act on or
14 after July 1, 1991 but not later than December 31, 2007, shall
15 be paid monthly and shall be one-twelfth of a sum equal to two
16 and thirty-five hundredths percent of the member's average
17 annual salary multiplied by the number of years of the member's
18 total service credit; provided that this subsection shall not
19 apply to any member who was retired in any of the four
20 consecutive quarters ending on June 30, 1991 without having
21 accumulated at least one year earned service credit beginning
22 on or after July 1, 1991.

23 H. Retirement benefits for a member age sixty or
24 over, retired pursuant to the Educational Retirement Act on or
25 after January 1, 2008 but not later than December 31, 2008,

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1 shall be paid monthly and shall be one-twelfth of a sum equal
2 to two and four-tenths percent of the member's average annual
3 salary multiplied by the number of years of the member's total
4 service credit; provided that this subsection shall not apply
5 to any member who was retired in any of the four consecutive
6 quarters ending on December 31, 2007 without having accumulated
7 at least one year earned service credit beginning on or after
8 January 1, 2008.

9 I. Retirement benefits for a member age sixty or
10 over, retired pursuant to the Educational Retirement Act on or
11 after January 1, 2009 but not later than December 31, 2009,
12 shall be paid monthly and shall be one-twelfth of a sum equal
13 to two and forty-five hundredths percent of the member's
14 average annual salary multiplied by the number of years of the
15 member's total service credit; provided that this subsection
16 shall not apply to any member who was retired in any of the
17 four consecutive quarters ending on December 31, 2008 without
18 having accumulated at least one year earned service credit
19 beginning on or after January 1, 2009.

20 J. Retirement benefits for a member age sixty or
21 over, retired pursuant to the Educational Retirement Act on or
22 after January 1, 2010, shall be paid monthly and shall be
23 one-twelfth of a sum equal to two and one-half percent of the
24 member's average annual salary multiplied by the number of
25 years of the member's total service credit; provided that this

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1 subsection shall not apply to any member who was retired in any
2 of the four consecutive quarters ending on December 31, 2009
3 without having accumulated at least one year earned service
4 credit beginning on or after January 1, 2010.

5 [H.—A] K. For a member retiring before January 1,
6 2008, the member's average annual salary, pursuant to this
7 section, shall be computed on the basis of the last five years
8 for which contribution was made or upon the basis of any
9 consecutive five years for which contribution was made by the
10 member, whichever is higher.

11 L. For a member retiring on or after January 1,
12 2008, the member's average annual salary, pursuant to this
13 section, shall be computed on the basis of the last three years
14 for which contribution was made or upon the basis of any
15 consecutive three years for which contribution was made by the
16 member, whichever is higher.

17 M. Unless otherwise required by the provisions of
18 the Internal Revenue Code of 1986, members shall begin
19 receiving retirement benefits by age seventy and six months, or
20 upon termination of employment, whichever occurs later."