

HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR  
HOUSE LABOR AND HUMAN RESOURCES COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 798

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

AN ACT

RELATING TO PUBLIC EMPLOYEES RETIREMENT; AMENDING THE PUBLIC  
EMPLOYEES RETIREMENT ACT TO CHANGE THE RETIREMENT ELIGIBILITY  
FOR NEW MEMBERS; RECONCILING MULTIPLE AMENDMENTS TO THE SAME  
SECTION OF LAW IN LAYS 2003.

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

Section 1. Section 10-11-26.2 NMSA 1978 (being Laws 1994,  
Chapter 128, Section 3) is amended to read:

"10-11-26.2. STATE GENERAL MEMBER COVERAGE PLAN 3--AGE  
AND SERVICE CREDIT REQUIREMENTS FOR NORMAL RETIREMENT.--

A. Under state general member coverage plan 3:

(1) for a member who is a peace officer and  
for a member who is not a peace officer but was a retired  
member or a member on June 30, 2010, the age and service credit  
requirements for normal retirement are:

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1                   ~~[A.]~~ (a) age sixty-five years or older  
2 and five or more years of service credit;

3                   ~~[B.]~~ (b) age sixty-four years and eight  
4 or more years of service credit;

5                   ~~[C.]~~ (c) age sixty-three years and  
6 eleven or more years of service credit;

7                   ~~[D.]~~ (d) age sixty-two years and  
8 fourteen or more years of service credit;

9                   ~~[E.]~~ (e) age sixty-one years and  
10 seventeen or more years of service credit;

11                   ~~[F.]~~ (f) age sixty years and twenty or  
12 more years of service credit; and

13                   ~~[G.]~~ (g) any age and twenty-five or more  
14 years of service credit; and

15                   (2) for a member who is not a peace officer  
16 and was not a retired member or a member on June 30, 2010, the  
17 age and service requirements for normal retirement are:

18                   (a) age sixty-seven years or older and  
19 five or more years of service credit;

20                   (b) any age if the sum of the member's  
21 age and years of service credit equals at least eighty; or

22                   (c) any age and thirty or more years of  
23 service credit.

24                   B. As used in this section, "peace officer" means  
25 any employee of the state with a duty to maintain public order

1 or to make arrests for crime, whether that duty extends to all  
 2 crimes or is limited to specific crimes, and who is not  
 3 specifically covered by another coverage plan."

4 Section 2. Section 10-11-27 NMSA 1978 (being Laws 1987,  
 5 Chapter 253, Section 27, as amended by Laws 2003, Chapter 268,  
 6 Section 9 and by Laws 2003, Chapter 269, Section 1) is amended  
 7 to read:

8 "10-11-27. STATE POLICE MEMBER AND ADULT CORRECTIONAL  
 9 OFFICER MEMBER COVERAGE PLAN 1--APPLICABILITY.--

10 A. State police member and adult correctional  
 11 officer member coverage plan 1 is applicable to state police  
 12 members who are not specifically covered by another coverage  
 13 plan and to adult correctional officer members. [~~The credited~~  
 14 ~~service of a state police member who has held the permanent~~  
 15 ~~rank of patrolman, sergeant, lieutenant or captain and does not~~  
 16 ~~hold an exempt rank or who is assigned to the aircraft division~~  
 17 ~~as a pilot, or of an adult correctional officer member, shall~~  
 18 ~~have actual credited service increased by twenty percent]~~ For  
 19 the purposes of state police member and adult correctional  
 20 officer member coverage plan 1, a member shall have actual  
 21 service credit increased by twenty percent if that member was a  
 22 retired member or a member on June 30, 2010 and:

23 (1) is a state police member who holds the  
 24 permanent rank of patrolman, sergeant, lieutenant or captain  
 25 and does not hold an exempt rank;

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1                   (2) is a state police member who is assigned  
2 to the aircraft division as a pilot; or

3                   (3) is an adult correctional officer member.

4                   B. State police member and adult correctional  
5 officer member coverage plan 1 is applicable to adult  
6 correctional officer members in the first full pay period after  
7 July 1, 2004 if the retirement board certifies to the secretary  
8 of state that, of those adult correctional officer members to  
9 be covered under state police member and adult correctional  
10 officer member coverage plan 1, a majority of the members  
11 voting have voted to approve adoption of that plan at an  
12 election conducted pursuant to [~~Section 16 of this 2003 act~~]  
13 Laws 2003, Chapter 268, Section 16."

14                   Section 3. Section 10-11-45 NMSA 1978 (being Laws 1987,  
15 Chapter 253, Section 45) is amended to read:

16                   "10-11-45. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 1--AGE  
17 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
18 municipal general member coverage plan 1:

19                   A. for a member who was a retired member or a  
20 member on June 30, 2010, the age and service requirements for  
21 normal retirement are:

22                               [A.] (1) age sixty-five years or older and  
23 five or more years of [~~credited~~] service credit;

24                               [B.] (2) age sixty-four years and eight or  
25 more years of [~~credited~~] service credit;

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1                    [~~G.~~] (3) age sixty-three years and eleven or  
 2 more years of [~~eredit~~] service credit;

3                    [~~D.~~] (4) age sixty-two years and fourteen or  
 4 more years of [~~eredit~~] service credit;

5                    [~~E.~~] (5) age sixty-one years and seventeen or  
 6 more years of [~~eredit~~] service credit;

7                    [~~F.~~] (6) age sixty years and twenty or more  
 8 years of [~~eredit~~] service credit; or

9                    [~~G.~~] (7) any age and twenty-five or more years  
 10 of [~~eredit~~] service credit; and

11                    B. for a member who was not a retired member or a  
 12 member on June 30, 2010, the age and service requirements for  
 13 normal retirement are:

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

16                    (2) any age if the sum of the member's age and  
 17 years of service credit equals at least eighty; or

18                    (3) any age and thirty or more years of  
 19 service credit."

20                    Section 4. Section 10-11-51 NMSA 1978 (being Laws 1987,  
 21 Chapter 253, Section 51) is amended to read:

22                    "10-11-51. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 2--AGE  
 23 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
 24 municipal general member coverage plan 2:

25                    A. for a member who was a retired member or a

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1 member on June 30, 2010, the age and service requirements for  
2 normal retirement are:

3 [A.] (1) age sixty-five years or older and  
4 five or more years of [ereditad] service credit;

5 [B.] (2) age sixty-four years and eight or  
6 more years of [ereditad] service credit;

7 [C.] (3) age sixty-three years and eleven or  
8 more years of [ereditad] service credit;

9 [D.] (4) age sixty-two years and fourteen or  
10 more years of [ereditad] service credit;

11 [E.] (5) age sixty-one years and seventeen or  
12 more years of [ereditad] service credit;

13 [F.] (6) age sixty years and twenty or more  
14 years of [ereditad] service credit; or

15 [G.] (7) any age and twenty-five or more years  
16 of [ereditad] service credit; and

17 B. for a member who was not a retired member or a  
18 member on June 30, 2010, the age and service requirements for  
19 normal retirement are:

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

22 (2) any age if the sum of the member's age and  
23 years of service credit equals at least eighty; or

24 (3) any age and thirty or more years of  
25 service credit."

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1 Section 5. Section 10-11-55.2 NMSA 1978 (being Laws 1993,  
2 Chapter 58, Section 2) is amended to read:

3 "10-11-55.2. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 3--  
4 AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
5 municipal general member coverage plan 3:

6 A. for a member who was a retired member or a  
7 member on June 30, 2010, the age and service requirements for  
8 normal retirement are:

9 [A.] (1) age sixty-five years or older and  
10 five or more years of [~~credited~~] service credit;

11 [B.] (2) age sixty-four years and eight or  
12 more years of [~~credited~~] service credit;

13 [C.] (3) age sixty-three years and eleven or  
14 more years of [~~credited~~] service credit;

15 [D.] (4) age sixty-two years and fourteen or  
16 more years of [~~credited~~] service credit;

17 [E.] (5) age sixty-one years and seventeen or  
18 more years of [~~credited~~] service credit;

19 [F.] (6) age sixty years and twenty or more  
20 years of [~~credited~~] service credit; or

21 [G.] (7) any age and twenty-five or more years  
22 of [~~credited~~] service credit; and

23 B. for a member who was not a retired member or a  
24 member on June 30, 2010, the age and service requirements for  
25 normal retirement are:

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

3                   (2) any age if the sum of the member's age and  
4 years of service credit equals at least eighty; or

5                   (3) any age and thirty or more years of  
6 service credit."

7           Section 6. Section 10-11-55.8 NMSA 1978 (being Laws 1998,  
8 Chapter 106, Section 2) is amended to read:

9           "10-11-55.8. MUNICIPAL GENERAL MEMBER COVERAGE PLAN 4--  
10 AGE AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
11 municipal general member coverage plan 4:

12                   A. for a member who was a retired member or a  
13 member on June 30, 2010, the age and service requirements for  
14 normal retirement are:

15                           ~~[A.]~~ (1) age sixty-five years or older and  
16 five or more years of [ereditied] service credit;

17                           ~~[B.]~~ (2) age sixty-four years and eight or  
18 more years of [ereditied] service credit;

19                           ~~[C.]~~ (3) age sixty-three years and eleven or  
20 more years of [ereditied] service credit;

21                           ~~[D.]~~ (4) age sixty-two years and fourteen or  
22 more years of [ereditied] service credit;

23                           ~~[E.]~~ (5) age sixty-one years and seventeen or  
24 more years of [ereditied] service credit;

25                           ~~[F.]~~ (6) age sixty years and twenty or more



1 years of [~~credited~~] service credit; or

2 [~~6-~~] (7) any age and twenty-five or more years  
3 of [~~credited~~] service credit; and

4 B. for a member who was not a retired member or a  
5 member on June 30, 2010, the age and service requirements for  
6 normal retirement are:

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

9 (2) any age if the sum of the member's age and  
10 years of service credit equals at least eighty; or

11 (3) any age and thirty or more years of  
12 service credit."

13 Section 7. Section 10-11-69 NMSA 1978 (being Laws 1987,  
14 Chapter 253, Section 69) is amended to read:

15 "10-11-69. MUNICIPAL POLICE MEMBER COVERAGE PLAN 3--AGE  
16 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
17 municipal police member coverage plan 3, the age and service  
18 requirements for normal retirement are:

19 A. age sixty-five years or older and five or more  
20 years of [~~credited~~] service credit;

21 B. age sixty-four years and eight or more years of  
22 [~~credited~~] service credit;

23 C. age sixty-three years and eleven or more years  
24 of [~~credited~~] service credit;

25 D. age sixty-two years and fourteen or more years

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1 of [~~eredit~~] service credit;

2 E. age sixty-one years and seventeen or more years  
3 of [~~eredit~~] service credit; [~~or~~]

4 F. any age and twenty or more years of [~~eredit~~]  
5 service credit for an individual who was a retired member or a  
6 member on June 30, 2010; or

7 G. any age and twenty-five or more years of service  
8 credit for an individual who was not a retired member or a  
9 member on June 30, 2010."

10 Section 8. Section 10-11-75 NMSA 1978 (being Laws 1987,  
11 Chapter 253, Section 75) is amended to read:

12 "10-11-75. MUNICIPAL POLICE MEMBER COVERAGE PLAN 4--AGE  
13 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
14 municipal police member coverage plan 4, the age and service  
15 requirements for normal retirement are:

16 A. age sixty-five years or older and five or more  
17 years of [~~eredit~~] service credit;

18 B. age sixty-four years and eight or more years of  
19 [~~eredit~~] service credit;

20 C. age sixty-three years and eleven or more years  
21 of [~~eredit~~] service credit;

22 D. age sixty-two years and fourteen or more years  
23 of [~~eredit~~] service credit;

24 E. age sixty-one years and seventeen or more years  
25 of [~~eredit~~] service credit; [~~or~~]

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1 F. any age and twenty or more years of [~~credited~~]  
 2 service credit for an individual who was a retired member or a  
 3 member on June 30, 2010; or

4 G. any age and twenty-five or more years of service  
 5 credit for an individual who was not a retired member or a  
 6 member on June 30, 2010."

7 Section 9. Section 10-11-81 NMSA 1978 (being Laws 1987,  
 8 Chapter 253, Section 81) is amended to read:

9 "10-11-81. MUNICIPAL POLICE MEMBER COVERAGE PLAN 5--AGE  
 10 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
 11 municipal police member coverage plan 5, the age and service  
 12 requirements for normal retirement are:

13 A. age sixty-five years or older and five or more  
 14 years of [~~credited~~] service credit;

15 B. age sixty-four years and eight or more years of  
 16 [~~credited~~] service credit;

17 C. age sixty-three years and eleven or more years  
 18 of [~~credited~~] service credit;

19 D. age sixty-two years and fourteen or more years  
 20 of [~~credited~~] service credit;

21 E. age sixty-one years and seventeen or more years  
 22 of [~~credited~~] service credit; [~~or~~]

23 F. any age and twenty or more years of [~~credited~~]  
 24 service credit for an individual who was a retired member or a  
 25 member on June 30, 2010; or

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1                   G. any age and twenty-five or more years of service  
2 credit for an individual who was not a retired member or a  
3 member on June 30, 2010."

4                   Section 10. Section 10-11-99 NMSA 1978 (being Laws 1987,  
5 Chapter 253, Section 99) is amended to read:

6                   "10-11-99. MUNICIPAL FIRE MEMBER COVERAGE PLAN 3--AGE AND  
7 SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under municipal  
8 fire member coverage plan 3, the age and service requirements  
9 for normal retirement are:

10                   A. age sixty-five years or older and five or more  
11 years of [~~credited~~] service credit;

12                   B. age sixty-four years and eight or more years of  
13 [~~credited~~] service credit;

14                   C. age sixty-three years and eleven or more years  
15 of [~~credited~~] service credit;

16                   D. age sixty-two years and fourteen or more years  
17 of [~~credited~~] service credit;

18                   E. age sixty-one years and seventeen or more years  
19 of [~~credited~~] service credit; [~~or~~]

20                   F. any age and twenty or more years of [~~credited~~]  
21 service credit for an individual who was a retired member or  
22 a member on June 30, 2010; or

23                   G. any age and twenty-five or more years of  
24 service credit for an individual who was not a retired member  
25 or a member on June 30, 2010."

1 Section 11. Section 10-11-105 NMSA 1978 (being Laws  
2 1987, Chapter 253, Section 105) is amended to read:

3 "10-11-105. MUNICIPAL FIRE MEMBER COVERAGE PLAN 4--AGE  
4 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
5 municipal fire member coverage plan 4, the age and service  
6 requirements for normal retirement are:

7 A. age sixty-five years or older and five or more  
8 years of [~~credited~~] service credit;

9 B. age sixty-four years and eight or more years  
10 of [~~credited~~] service credit;

11 C. age sixty-three years and eleven or more years  
12 of [~~credited~~] service credit;

13 D. age sixty-two years and fourteen or more years  
14 of [~~credited~~] service credit;

15 E. age sixty-one years and seventeen or more  
16 years of [~~credited~~] service credit; [~~or~~]

17 F. any age and twenty or more years of [~~credited~~]  
18 service credit for an individual who was a retired member or  
19 a member on June 30, 2010; or

20 G. any age and twenty-five or more years of  
21 service credit for an individual who was not a retired member  
22 or a member on June 30, 2010."

23 Section 12. Section 10-11-111 NMSA 1978 (being Laws  
24 1987, Chapter 253, Section 111) is amended to read:

25 "10-11-111. MUNICIPAL FIRE MEMBER COVERAGE PLAN 5--AGE

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1 AND SERVICE REQUIREMENTS FOR NORMAL RETIREMENT.--Under  
2 municipal fire member coverage plan 5, the age and service  
3 requirements for normal retirement are:

4 A. age sixty-five years or older and five or more  
5 years of [~~credited~~] service credit;

6 B. age sixty-four years and eight or more years  
7 of [~~credited~~] service credit;

8 C. age sixty-three years and eleven or more years  
9 of [~~credited~~] service credit;

10 D. age sixty-two years and fourteen or more years  
11 of [~~credited~~] service credit;

12 E. age sixty-one years and seventeen or more  
13 years of [~~credited~~] service credit; [~~or~~]

14 F. any age and twenty or more years of [~~credited~~]  
15 service credit for an individual who was a retired member or  
16 a member on June 30, 2010; or

17 G. any age and twenty-five or more years of  
18 service credit for an individual who was not a retired member  
19 or a member on June 30, 2010."

20 Section 13. Section 10-11-115.2 NMSA 1978 (being Laws  
21 2003, Chapter 268, Section 3) is amended to read:

22 "10-11-115.2. MUNICIPAL DETENTION OFFICER MEMBER  
23 COVERAGE PLAN 1--AGE AND SERVICE REQUIREMENTS FOR NORMAL  
24 RETIREMENT--CALCULATION OF [~~CREDITED~~] SERVICE CREDIT.--

25 A. Under municipal detention officer member

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1 coverage plan 1, the age and service requirements for normal  
 2 retirement are:

3 (1) age sixty-five years or older and five  
 4 or more years of [~~credited~~] service credit;

5 (2) age sixty-four years and eight or more  
 6 years of [~~credited~~] service credit;

7 (3) age sixty-three years and eleven or more  
 8 years of [~~credited~~] service credit;

9 (4) age sixty-two years and fourteen or more  
 10 years of [~~credited~~] service credit;

11 (5) age sixty-one years and seventeen or  
 12 more years of [~~credited~~] service credit;

13 (6) age sixty years and twenty or more years  
 14 of [~~credited~~] service credit; or

15 (7) any age and twenty-five or more years of  
 16 [~~credited~~] service credit.

17 B. In calculating [~~credited~~] service credit for  
 18 the purposes of determining retirement eligibility and amount  
 19 of pension, the [~~credited~~] service credit of a municipal  
 20 detention officer member who was a retired member or a member  
 21 on June 30, 2010 shall have actual [~~credited~~] service credit  
 22 increased by twenty percent for the purposes of municipal  
 23 detention officer member coverage plan 1."

24 Section 14. TEMPORARY PROVISION--RETIREMENT SYSTEMS  
 25 SOLVENCY TASK FORCE--CREATION--DUTIES--REPORT.--

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1           A. The "retirement systems solvency task force"  
2 is created. The task force consists of twenty-five members  
3 as follows:

4                   (1) the director of the public employees  
5 retirement association and a member of the public employees  
6 retirement board, selected by the board;

7                   (2) the educational retirement director and  
8 a member of the educational retirement board, selected by the  
9 board;

10                  (3) the director of the retiree health care  
11 authority and a member of the board of the retiree health  
12 care authority, selected by the board;

13                  (4) one member from each of the following  
14 organizations that represent members of the public employees  
15 retirement association or members under the Educational  
16 Retirement Act:

17                           (a) the American federation of state,  
18 county and municipal employees;

19                           (b) the communications workers of  
20 America;

21                           (c) the international association of  
22 firefighters;

23                           (d) the fraternal order of police;

24                           (e) the national education  
25 association; and

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1 (f) the American federation of  
2 teachers;

3 (5) the chair and vice chair of the interim  
4 investments and pensions oversight committee; provided that,  
5 if that interim committee is not created, then the New Mexico  
6 legislative council shall appoint the chair and vice chair of  
7 the appropriate interim committee;

8 (6) a representative of the New Mexico  
9 municipal league;

10 (7) a representative of the New Mexico  
11 association of counties;

12 (8) two majority party members and one  
13 minority party member of the house of representatives,  
14 appointed by the New Mexico legislative council;

15 (9) two majority party members and one  
16 minority party member of the senate, appointed by the New  
17 Mexico legislative council; and

18 (10) three members appointed by the  
19 governor, at least one of whom shall be experienced in  
20 financial investing of pension funds.

21 B. The chair of the task force shall be elected  
22 by the task force. The task force shall meet at the call of  
23 the chair.

24 C. The public members of the task force shall  
25 receive per diem and mileage pursuant to the Per Diem and

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1 Mileage Act.

2 D. The legislative council service, with  
3 assistance from the legislative finance committee, the public  
4 employees retirement association, the educational retirement  
5 association and the retiree health care authority, shall  
6 provide staff for the task force.

7 E. The task force shall study the actuarial  
8 soundness and solvency of the retirement plans of the public  
9 employees retirement association and the educational  
10 retirement association and the health care plan of the  
11 retiree health care authority and prepare a solvency plan for  
12 each entity. The solvency plans shall include analyses and  
13 recommendations that address:

- 14 (1) employer and employee contributions;
- 15 (2) retirement eligibility;
- 16 (3) the number of retirement plans;
- 17 (4) retirement benefits;
- 18 (5) investment policy and asset allocation;
- 19 (6) disability retirement and benefits;
- 20 (7) actuarial assumptions;
- 21 (8) health insurance plan benefits and  
22 eligibility;
- 23 (9) the costs of health insurance plans; and
- 24 (10) member services.

25 F. The solvency plans and recommendations shall

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1 be submitted, no later than October 1, 2009, to the interim  
2 investments and pensions oversight committee or other  
3 appropriate interim committee, the legislative finance  
4 committee and the governor.

5 Section 15. EFFECTIVE DATE.--The effective date of the  
6 provisions of Sections 1 through 13 of this act is July 1,  
7 2010.

8 Section 16. EMERGENCY.--It is necessary for the public  
9 peace, health and safety that this act take effect  
10 immediately.

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