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SENATE BILL 18

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

INTRODUCED BY

Timothy Z. Jennings

AN ACT

TEMPORARILY ADJUSTING CONTRIBUTIONS TO THE EDUCATIONAL
RETIREMENT FUND AND THE RETIREE HEALTH CARE FUND.

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

Section 1. Section 7-1-6.56 NMSA 1978 (being Laws 2007,
Chapter 168, Section 1, as amended by Laws 2009, Chapter 287,
Section 1 and by Laws 2009, Chapter 288, Section 1) is amended
to read:

"7-1-6.56. DISTRIBUTION--RETIREE HEALTH CARE FUND.--In
addition to the distribution made pursuant to Section 7-1-6.30
NMSA 1978, a distribution pursuant to Section 7-1-6.1 NMSA 1978
shall be made to the retiree health care fund in the amount of
two hundred fifty thousand dollars (\$250,000); provided,
however, that this distribution shall not be made for the
period beginning January 1, 2010 and ending June 30, 2011."

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1 Section 2. Section 22-11-21 NMSA 1978 (being Laws 1967,
2 Chapter 16, Section 144, as amended) is amended to read:

3 "22-11-21. CONTRIBUTIONS--MEMBERS--LOCAL ADMINISTRATIVE
4 UNITS.--

5 A. Except as provided in Subsection C of this
6 section, each member shall make contributions to the fund
7 according to the following schedule:

8 (1) through June 30, 2005, an amount equal to
9 seven and six-tenths percent of the member's annual salary;

10 (2) from July 1, 2005 through June 30, 2006,
11 an amount equal to seven and six hundred seventy-five
12 thousandths percent of the member's annual salary;

13 (3) from July 1, 2006 through June 30, 2007,
14 an amount equal to seven and seventy-five hundredths percent of
15 the member's annual salary;

16 (4) from July 1, 2007 through June 30, 2008,
17 an amount equal to seven and eight hundred twenty-five
18 thousandths percent of the member's annual salary; and

19 (5) on and after July 1, 2008, an amount equal
20 to seven and nine-tenths percent of the member's annual salary,
21 except that, from July 1, 2009 through June 30, 2011, for
22 members whose annual salary is greater than twenty thousand
23 dollars (\$20,000), the member contribution rate shall be nine
24 and four-tenths percent of the member's annual salary.

25 B. Except as provided in Subsection C of this

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1 section, each local administrative unit shall make an annual
2 contribution to the fund according to the following schedule:

3 (1) through June 30, 2005, a sum equal to
4 eight and sixty-five hundredths percent of the annual salary of
5 each member employed by the local administrative unit;

6 (2) from July 1, 2005 through June 30, 2006, a
7 sum equal to nine and forty-hundredths percent of the annual
8 salary of each member employed by the local administrative
9 unit;

10 (3) from July 1, 2006 through June 30, 2007, a
11 sum equal to ten and fifteen-hundredths percent of the annual
12 salary of each member employed by the local administrative
13 unit;

14 (4) from July 1, 2007 through June 30, 2008, a
15 sum equal to ten and ninety-hundredths percent of the annual
16 salary of each member employed by the local administrative
17 unit;

18 (5) from July 1, 2008 through June 30, 2009, a
19 sum equal to eleven and sixty-five hundredths percent of the
20 annual salary of each member employed by the local
21 administrative unit;

22 (6) from July 1, 2009 through [~~June 30, 2010~~]
23 December 31, 2009, a sum equal to ten and nine-tenths percent
24 of the annual salary of each member employed by the local
25 administrative unit, except that, for members whose annual

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1 salary is twenty thousand dollars (\$20,000) or less, the local
2 administrative unit shall contribute twelve and four-tenths
3 percent of the member's annual salary;

4 (7) from ~~[July 1, 2010]~~ January 1, 2010
5 through June 30, 2011, a sum equal to ~~[eleven and sixty-five~~
6 ~~hundredths]~~ ten and fifteen-hundredths percent of the annual
7 salary of each member employed by the local administrative
8 unit, except that, for members whose annual salary is twenty
9 thousand dollars (\$20,000) or less, the local administrative
10 unit shall contribute ~~[thirteen and fifteen-hundredths]~~ eleven
11 and sixty-five hundredths percent of the member's annual
12 salary; ~~[and]~~

13 (8) from July 1, 2011 through June 30, 2012, a
14 sum equal to twelve and four-tenths percent of the annual
15 salary of each member employed by the local administrative
16 unit;

17 (9) from July 1, 2012 through June 30, 2013, a
18 sum equal to thirteen and fifteen-hundredths percent of the
19 annual salary of each member employed by the local
20 administrative unit; and

21 ~~[(8)]~~ (10) on and after July 1, ~~[2011]~~ 2013, a
22 sum equal to thirteen and nine-tenths percent of the annual
23 salary of each member employed by the local administrative
24 unit.

25 C. If, in a calendar year, the salary of a member,

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1 initially employed by a local administrative unit on or after
2 July 1, 1996 equals the annual compensation limit set pursuant
3 to Section 401(a)(17) of the Internal Revenue Code of 1986, as
4 amended, then:

5 (1) for the remainder of that calendar year,
6 no additional member contributions or local administrative unit
7 contributions for that member shall be made pursuant to this
8 section; provided that no member shall be denied service credit
9 solely because contributions are not made by the member or on
10 behalf of the member pursuant to the provisions of this
11 subsection; and

12 (2) the amount of the annual compensation
13 limit shall be divided into four equal portions, and, for
14 purposes of attributing contributory employment and crediting
15 service credit, each portion shall be attributable to one of
16 the four quarters of the calendar year."

17 Section 3. EFFECTIVE DATE.--The effective date of the
18 provisions of this act is January 1, 2010.

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