

FIFTIETH LEGISLATURE
SECOND SESSION, 2012

SB 150/a

February 1, 2012

Mr. President:

Your **EDUCATION COMMITTEE**, to whom has been referred

SENATE BILL 150

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 12, strike "CHANGING THE COST-OF-LIVING ADJUSTMENT;".
2. On page 2, strike line 25, and on page 3, strike lines 1 through 5 and insert in lieu thereof "the member contribution rate shall be nine and five hundred twenty-five thousandths percent of the member's annual salary;".
3. On page 3, strike lines 7 through 12 and insert in lieu thereof "the member contribution rate shall be nine and sixty-five hundredths percent of the member's annual salary;".
4. On page 3, strike lines 14 through 19 and insert in lieu thereof "the member contribution rate shall be nine and seven hundred seventy-five thousandths percent of the member's annual salary; and".
5. On page 3, line 20, strike "from" and insert in lieu thereof "on and after" and strike "through June 30, 2017".
6. On page 3, strike lines 21 through 25 and insert in lieu thereof "the member contribution rate shall be nine and nine-tenths percent of the member's annual salary.".
7. On page 4, strike lines 1 through 4 in their entirety.
8. On page 6, line 4, after the closing bracket, strike the remainder of the line, strike lines 5 through 10 and insert in lieu thereof "thirteen and fifteen-hundredths percent of the annual

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salary of each member employed by the local administrative unit;".

9. On page 6, line 12, after "to", strike the remainder of the line, strike lines 13 through 17 and insert in lieu thereof "thirteen and nine-tenths percent of the annual salary of each member employed by the local administrative unit;".

10. On page 6, line 19, after "to", strike the remainder of the line, strike lines 20 through 24 and insert in lieu thereof "fourteen and six-tenths percent of the annual salary of each member employed by the local administrative unit;".

11. On page 7, line 1, after "to", strike the remainder of the line, strike lines 2 through 6 and insert in lieu thereof "fifteen and three-tenths percent of the annual salary of each member employed by the local administrative unit;".

12. On page 7, line 8, after "to", strike the remainder of the line and strike lines 9 through 13 in their entirety and insert in lieu thereof "fifteen and thirty-five hundredths percent of the annual salary of each member employed by the local administrative unit;".

13. On page 7, line 14, after "(14)", strike the remainder of the line and strike lines 15 and 16 in their entirety and insert in lieu thereof:

"from July 1, 2018 through June 30, 2019, a sum equal to fifteen and four-tenths percent of the annual salary of each member employed by the local administrative unit; and

(15) on and after July 1, 2019, a sum equal to fifteen and forty-four hundredths percent of the annual salary of each member employed by the local administrative unit."

14. On page 8, line 14, strike "--SAFE HARBOR".

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15. On page 8, line 15, strike "On or before June 30, 2022, the" and insert in lieu thereof "The" and on line 16, strike "benefits".

16. On page 10, strike lines 15 through 25 in their entirety and on page 11, strike lines 1 through 17 in their entirety and insert in lieu thereof a closing quotation mark.

17. On page 12, line 14, strike "On or before June 30, 2022, the" and insert in lieu thereof "The".

18. On page 13, strike lines 6 through 25 in their entirety.

19. Reletter the succeeding subsection accordingly.

20. On page 14, between lines 4 and 5, insert the following new sections:

"SECTION 4. A new section of the Educational Retirement Act, Section 22-11-23.2 NMSA 1978, is enacted to read:

"22-11-23.2. [NEW MATERIAL] RETIREMENT ELIGIBILITY--INITIAL MEMBERSHIP ON OR AFTER JULY 1, 2012.--

A. A member who initially became a member on or after July 1, 2012, or a member who was a member at any time prior to that date and had, before that date, been refunded all member contributions pursuant to Subsection A of Section 22-11-15 NMSA 1978 and had not restored all of the refunded contributions prior to July 1, 2012, shall be eligible for retirement benefits when one of the following occurs:

(1) the member is at least fifty-five years of age and has thirty or more years of earned service credit;

(2) the member is at least sixty-seven years of age and has eight or more years of earned service credit; or

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(3) the member is at least fifty-five years of age and the sum of the member's age and years of earned service credit equals at least eighty; provided that a member who retires pursuant to this paragraph shall be subject to the benefit reductions provided in Subsection H of Section 22-11-30 NMSA 1978.

B. A member shall be subject to the provisions of this section as they existed at the beginning of the member's last cumulated four quarters of earned service credit, regardless of later amendment."

SECTION 5. Section 22-11-24 NMSA 1978 (being Laws 1967, Chapter 16, Section 147) is amended to read:

"22-11-24. RETIREMENT BENEFITS--MINIMUM CONTRIBUTORY EMPLOYMENT.--

A. A member [~~must~~] who was either a member on June 30, 2012 or was a member on or before June 30, 2012 and had, before that date, been refunded all member contributions pursuant to Subsection A of Section 22-11-15 NMSA 1978 and had not restored all of the refunded contributions on or before June 30, 2012, shall have acquired not less than five years of contributory employment to be eligible for retirement benefits pursuant to the Educational Retirement Act.

B. A member desiring to retire before having completed five years of contributory employment shall be limited to the maximum benefit [~~he~~] the member would have been entitled to receive under any statute repealed by the Educational Retirement Act. A member may acquire five years or less of contributory employment by contributing to the fund, for each year of contributory employment desired, a sum equal to the prevailing combined contributions of the member and the local administrative unit in effect at the time the contributory employment is acquired. This contribution shall be computed on the member's average annual salary for the last five years of employment plus an additional sum as interest from the

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effective date of the Educational Retirement Act as fixed by the board, but not to exceed three percent a year.

C. Years of contributory employment purchased pursuant to this section shall not be considered as an addition to service actually performed in computing the sum of the member's retirement benefit.

D. The retirement benefits of members retired pursuant to the Educational Retirement Act prior to July 1, 1959 and who have acquired contributory employment years by purchase shall be computed upon the basis of the amount paid therefor.

E. A member who on or after July 1, 2012 initially became a member, or who was a member on or before July 1, 2012 and had, before that date, been refunded all member contributions pursuant to Subsection A of Section 22-11-15 NMSA 1978 and had not restored all of the refunded contributions prior to July 1, 2012, shall be eligible for retirement benefits when the member has acquired at least eight years of contributory employment."

21. Renumber the succeeding sections accordingly.
22. On page 14, line 23, strike "prior to July 1, 2022".
23. On page 15, strike lines 6 through 19 in their entirety.
24. Reletter the succeeding subsections accordingly.
25. On page 15, line 24, strike "prior to July 1, 2022".
26. On page 16, strike lines 7 through 20 in their entirety.
27. On page 16, between lines 20 and 21, insert the following new subsection:

"D. Provided that the contributions that the member has

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made are left in the fund, a member eligible for retirement benefits pursuant to the provisions of Subsection A of Section 22-11-23.2 NMSA 1978 may terminate employment and retire at any time:

(1) if the member is at least fifty-five years of age and the sum of the member's age and earned service credit equals at least eighty;

(2) after the member has at least eight years of earned service credit and is at least sixty-seven years of age; or

(3) after the member has at least thirty years of earned service credit and is at least fifty-five years of age."

28. Reletter the succeeding subsection accordingly.

29. On page 20, line 14, strike "or Paragraph (1) of Subsection D".

30. On page 20, line 24, before "NMSA", insert "or Section 22-11-23.2".

31. On page 21, lines 4 and 5, strike the underscored language.

32. On page 21, line 5, before "shall", insert "or Paragraph (3) of Subsection A of Section 22-11-23.2 NMSA 1978".

33. On page 21, line 25 through page 25, line 2, strike Section 8 in its entirety.,

and thence referred to the **FINANCE COMMITTEE**.

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Respectfully submitted,

Cynthia Nava, Chairman

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 9 For 0 Against

Yes: 9

No: 0

Excused: Kernan

Absent: None

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