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HOUSE BILL 577

**52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

INTRODUCED BY

David E. Adkins

AN ACT

RELATING TO PUBLIC FINANCES; ALLOWING A MUNICIPALITY WITH MORE THAN TWO HUNDRED THOUSAND INHABITANTS TO ESTABLISH A MUNICIPAL POST-EMPLOYMENT BENEFIT TRUST.

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

**SECTION 1.** ~~[NEW MATERIAL]~~ MUNICIPAL POST-EMPLOYMENT BENEFIT TRUST FUND.--

A. A municipal post-employment benefit trust may be established, maintained and used by a municipal treasurer with the advice and consent of the municipal board of finance.

B. The municipality's contributions to the municipal post-employment benefit trust shall be irrevocable, and the money in the trust shall be dedicated exclusively to funding post-retirement benefits pursuant to the provisions of the trust established by the municipal treasurer.

.199958.1

underscoring material = new  
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1           C. Money in a municipal post-employment benefit  
2 trust shall be invested pursuant to the Uniform Prudent  
3 Investor Act and the provisions of this section. Earnings and  
4 income from investment of money in the municipal post-  
5 employment benefit trust shall be credited to the trust.

6           D. The municipal treasurer shall serve as the  
7 trustee and may use the services of a trust company to manage  
8 the investment of money in the municipal post-employment  
9 benefit trust.

10          E. As used in this section:

11                 (1) "municipal post-employment benefit trust"  
12 means an investment fund established, maintained and used by a  
13 municipality exclusively for the purposes permitted under  
14 Section 115 of the Internal Revenue Code of 1986;

15                 (2) "municipality" means an incorporated city  
16 that has a population of more than two hundred thousand people  
17 according to the most recent federal decennial census; and

18                 (3) "trust company" means an individual or a  
19 company, corporation, firm, partnership or other legal entity  
20 that provides investment services pursuant to the Trust Company  
21 Act and that agrees to adhere to the provisions of the Uniform  
22 Prudent Investor Act.