

SENATE PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR
SENATE BILL 711

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

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
ALLOWING A MUNICIPALITY WITH MORE THAN TWO HUNDRED THOUSAND
INHABITANTS TO ESTABLISH A MUNICIPAL POST-EMPLOYMENT LIFE
INSURANCE BENEFITS TRUST.

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

SECTION 1. ~~[NEW MATERIAL]~~ MUNICIPAL POST-EMPLOYMENT LIFE
INSURANCE BENEFITS TRUST.--

A. A municipal post-employment life insurance
benefits 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 life insurance benefit trusts shall
be irrevocable, and the money in the trust shall be dedicated

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1 exclusively to funding post-retirement life insurance benefits
2 pursuant to the provisions of the trust established by the
3 municipal treasurer.

4 C. Money in a municipal post-employment life
5 insurance benefits trust shall be invested pursuant to the
6 Uniform Prudent Investor Act and the provisions of this
7 section. Earnings and income from investment of money in the
8 trust shall be credited to the trust.

9 D. The municipal treasurer shall serve as the
10 trustee and may use the services of a trust company to manage
11 the investment of money in the municipal post-employment life
12 insurance benefits trust.

13 E. As used in this section:

14 (1) "municipal post-employment life insurance
15 benefits trust" means an investment fund established,
16 maintained and used by a municipality exclusively for the
17 purposes permitted under Section 115 of the Internal Revenue
18 Code of 1986;

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

22 (3) "trust company" means an individual or a
23 company, corporation, firm, partnership, state-chartered or
24 national bank or other legal entity that provides investment
25 services pursuant to the Trust Company Act and that agrees to

1 adhere to the provisions of the Uniform Prudent Investor Act.

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