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SENATE BILL 122

**54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

INTRODUCED BY

Jacob R. Candelaria

ENDORSED BY THE INVESTMENTS AND PENSIONS OVERSIGHT COMMITTEE

AN ACT

RELATING TO JUDICIAL RETIREMENT; PROVIDING FOR A DISTRIBUTION  
PURSUANT TO THE OIL AND GAS PROCEEDS AND PASS-THROUGH ENTITY  
WITHHOLDING TAX ACT TO THE JUDICIAL RETIREMENT FUND AND TO THE  
MAGISTRATE RETIREMENT FUND; DELAYING FURTHER DISTRIBUTIONS TO  
THE LEGISLATIVE RETIREMENT FUND UNTIL FISCAL YEAR 2026.

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

SECTION 1. Section 7-1-6.43 NMSA 1978 (being Laws 2003,  
Chapter 86, Section 1, as amended) is amended to read:

"7-1-6.43. DISTRIBUTION--OIL AND GAS PROCEEDS AND PASS-  
THROUGH ENTITY WITHHOLDING TAX--MAGISTRATE RETIREMENT FUND--  
JUDICIAL RETIREMENT FUND--LEGISLATIVE RETIREMENT FUND.--

A. [~~Beginning on July 1, 2019~~] A distribution  
pursuant to Section 7-1-6.1 NMSA 1978 from the net receipts  
attributable to the amount of tax deducted pursuant to the Oil

.216015.1SA

underscoring material = new  
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1 and Gas Proceeds and Pass-Through Entity Withholding Tax Act  
2 shall be made as follows:

3 (1) prior to July 1, 2025:

4 (a) to the magistrate retirement fund in  
5 the amount of one hundred thousand dollars (\$100,000); and

6 (b) to the judicial retirement fund in  
7 the amount of one hundred thousand dollars (\$100,000); and

8 (2) on and after July 1, 2025, to the  
9 legislative retirement fund in the amount of seventy-five  
10 thousand dollars (\$75,000) or, if larger, in an amount equal to  
11 one-twelfth of the amount necessary to pay out the retirement  
12 benefits due under state legislator member coverage plan 2 and  
13 Paragraph (2) of Subsection C of Section 10-11-41 NMSA 1978 for  
14 the succeeding calendar year.

15 B. In regard to the distribution to the legislative  
16 retirement fund, in December [~~2003~~] 2024 and in each December  
17 thereafter, [~~except in 2017~~] the public employees retirement  
18 association, with the assistance of the legislative council  
19 service, shall determine the amount of retirement benefits for  
20 the succeeding calendar year. If the monthly average exceeds  
21 seventy-five thousand dollars (\$75,000), the association shall  
22 immediately notify the department of the average amount."

23 **SECTION 2. EFFECTIVE DATE.**--The effective date of the  
24 provisions of this act is July 1, 2020.