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FISCAL IMPACT REPORT

SPONSOR Gallegos ORIGINAL DATE 03/13/21
LAST UPDATED _____ HB _____
SHORT TITLE Emergency Dispatchers as Police Under PERA SB 403
ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$62.3	\$62.3	\$124.6	Recurring	General, DPS

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Public Safety (DPS)

SUMMARY

Synopsis of Bill

Senate Bill 403 (SB403) would allow emergency dispatchers to participate in enhanced state and municipal police officer pension plans.

FISCAL IMPLICATIONS

Currently, emergency dispatchers employed by DPS participate in the state general plan, or “normal” retirement. The employer contribution for normal retirement is less than the employer contribution for the state police plan and moving dispatchers to the state police plan would result in increased costs for DPS. LFC analysis suggests the increased costs faced by DPS will be \$62.3 thousand. An estimate of the costs is as follows:

Summary of Rate and Cost Difference Between Enhanced and Normal Retirement Plans
(dollars in thousands)

	State Police Retirement	Normal Retirement		State Police Retirement	Normal Retirement	Difference
PERA	25.50%	18.24%		\$ 1,018.4	\$ 728.4	\$ 289.9
Social Security	1.45%	7.65%		\$ 57.9	\$ 305.5	\$ (247.6)
RHCA Regular	0.00%	2.00%		\$ -	\$ 79.9	\$ (79.9)
RHCA Enhanced	2.50%	0.00%		\$ 99.8	\$ -	\$ 99.8
Total	29.45%	27.89%		\$ 1,176.1	\$ 1,113.8	\$ 62.3

Local employers would be similarly affected; however, because the total costs of local dispatchers are unknown, they are not reported in this analysis.

SIGNIFICANT ISSUES

While the police pension funds, state and municipal, pay a greater retirement benefit, members are not eligible for participation in social security benefits.

The table below shows a comparison of the five different plans offered by the Public Employees Retirement Association (PERA).

Comparison of PERA Retirement Plans
(based on 2020 CAFR)

Plan	Total Retirees	Average Monthly Benefit	Avg. Age at Retirement	Plan Funded Ratio
State General	16,518	\$ 2,118	57.7	59.9%
State Police/Corrections	1,234	\$ 2,467	51.2	127.2%
Municipal General	11,463	\$ 2,013	58.2	76.7%
Municipal Police	3,045	\$ 2,994	47.8	74.9%
Municipal Fire	1,644	\$ 3,089	47.9	60.0%