

LFC Requester:	SIMON, JOSEPH
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: Jan 29 *Check all that apply:*
Bill Number: HB164 Original Correction
 Amendment Substitute

Sponsor: A. Martinez, J. Garratt **Agency Name and Code:** State Personnel Office 00378
Short Title: Cost of Living Increase For Certain Retired Members **Number:** _____
Person Writing: Dylan K. Lange **Phone:** 505-476-7742 **Email:** Dylan.Lange@spo.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	10M	Nonrecurring	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
N/A	N/A	N/A		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	Unknown	Unknown			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB164 Amends Chapter 10, Article 11, Section 118 to include an increase of two percent for a normal retired member of state or local government, who has attained the age of 65 before July 1, 2025.

FISCAL IMPLICATIONS

HB164 makes a one-time appropriation of \$10M which shall not revert to the general fund.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

State employees, and prospective state employees, may find a cost-of-living increase to their earned retirement payments an incentive to join or remain in state public service until their retirement. This may help with recruitment and retention if communicated to the public and employees. Having state employees retire when eligible will also allow for upward mobility of those currently in the classified service who would gain career advancement and lower the average compa-ratio for a job family based on the retirement of high earning employees, which could save the state money.

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS