

LFC Requester: _____

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: 2/7/2025 *Check all that apply:*
Bill Number: H183-341 Original Correction
 Amendment Substitute

Sponsor: Rep. Roybal Caballero **Agency Name and Code** DFA-341
Short Title: MAGISTRATE RETIREMENT CHANGES **Number:** _____
Person Writing Mark Melhoff **Phone:** _____ **Email** Mark.Melhoff@dfa.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(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						

(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:

- **Purpose:**

- Relates to magistrate retirement
- Provides for appropriations and income from investments to be credited to the Magistrate Retirement Fund
- Adjusts years of service credit required for certain magistrate judges
- Increases certain service credit multipliers in the Magistrate Retirement Act

Key Provisions:

- **Magistrate Retirement Fund:**

- Established in the state treasury
- Consists of appropriations, docket fees, employer and member contributions, and investment income
- Administered and invested by the board as per the Public Employees Retirement Act

- **Accounting Funds:**

- Member Contribution Fund
- Employer's Accumulation Fund
- Retirement Reserve Fund
- Income Fund

- **Service Credit Requirements for Retirement:**

- Age 65+ with 5+ years of service
- Age 60+ with 15+ years of service
- Any age with 24+ years of service

- **Pension Amounts:**

- For members as of June 30, 2014: Calculated based on salary and years of service
- For members after July 1, 2014: Calculated based on salary for 60 consecutive months and years of service

- Monthly pension capped at 100% of the greatest aggregate salary for 60 consecutive months
- **Member Contributions:**
 - 10.5% of salary until June 30, 2025
 - 14.74% of salary starting July 1, 2025
- **Employer Contributions:**
 - 19.24% of salary starting July 1, 2025
 - Additional contributions from civil case docket fees and civil jury fees in magistrate court
- **Effective Date:** July 1, 2025

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

The State contributions will increase by \$346,142.28 annually. Employee Contributions will increase by \$346,142.28 annually.

State Payroll Impact		Employee Impact	
Bi-weekly Wages as of 1/31/2025	313,989.73	Bi-weekly Wages as of 1/31/2025	313,989.73
Contributions @ 15%	47,098.46	Contributions @ 10.5%	32,968.92
Contributions @ 19.24%	60,411.62	Contributions @14.74%	46,282.09
Increase Contributions	13,313.16	Increase Contributions	13,313.16
Annualized Increase	346,142.28	Annualized Increase	346,142.28

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL
AMENDMENTS**