

<b>LFC Requester:</b>	<b>Simon, Joseph</b>
-----------------------	----------------------

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** 2/13/25 *Check all that apply:*  
**Bill Number:** HB 416 Original  Correction   
 Amendment  Substitute

**Sponsor:** Representative Borrego **Agency Name and Code** 366-PERA  
**Short Title:** PUBLIC EMPLOYEE PENSION CHANGES **Number:** \_\_\_\_\_  
**Person Writing** Anna Williams  
**Phone:** 505-259-8489 **Email** Annae.williams@pera.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
<b>Total</b>						

(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:

HB 416 clarifies several sections within the PERA Act to remove ambiguous or otherwise unclear provisions to ensure statutory consistency with current administrative practice. HB 416 amends the Public Employees Retirement Act [NMSA 1978 10-11-4] to remove the requirement that the purchase of withdrawn service credit must be made in a single lump sum amount and must be purchased in increments of one year and instead allows the PERA Board to determine the process. PERA Rules currently require a process identical to statute, therefore no changes will immediately occur if this section is amended, but the change would allow the PERA Board to consider other potential procedures through rulemaking. The bill also amends section [NMSA 1978 10-11-4.2] to exempt collection services that may be used by PERA to collect benefit overpayments from the requirements of the Procurement Code. The bill amends section [NMSA 1978 10-11-10.1] to remove the requirement that at least one member of the disability review committee be a physician licensed in New Mexico and ties earnings allowable for a disability retirement to the federal social security program. The bill also corrects an internal inconsistency in the payment of pre-retirement survivor benefits in section [NMSA 1978 10-11-14.5]. The bill also amends section [NMSA 10-11-130] to provide that the association may provide member or retired member information to the educational retirement board for purposes of administering the Public Employees Retirement Reciprocity Act. The bill amends [NMSA 1978 10-11-130.1] to clarify that members of the retirement board and employees of the association must comply with the provisions of the Gift Act. The bill amends [NMSA 1978 10-11-135] to clarify that PERA benefits are subject to federal levy or other process. The bill amends [NMSA 1978 10-11A-7] to provide that a surviving spouse's benefit does not terminate upon remarriage. The bill also amends [NMSA 1978 10-12C-4] to clarify the existing requirement that a retired member who is otherwise exempt the membership requirements for Magistrate judges must pay member contributions while in office and the administrative office of the courts must pay employer contributions.

#### **FISCAL IMPLICATIONS**

HB 416 should not have an impact to PERA's operating budget.

#### **SIGNIFICANT ISSUES**

None.

#### **PERFORMANCE IMPLICATIONS**

HB 416 will not affect PERA's performance measures.

#### **ADMINISTRATIVE IMPLICATIONS**

None.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

**TECHNICAL ISSUES**

None.

**OTHER SUBSTANTIVE ISSUES**

None.

**ALTERNATIVES**

None.

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

PERA would continue to follow the existing statutes in NMSA 1978 and the New Mexico Constitution.

**AMENDMENTS**

None.