AN ACT

RELATING TO EDUCATIONAL RETIREMENT; PROVIDING CERTAIN MEMBERS AN OPTION TO RECEIVE A RETIREMENT BENEFIT PLUS A PAYMENT EQUAL TO THE EMPLOYEE AND EMPLOYER CONTRIBUTIONS THAT ARE MADE AFTER THE ELECTION.

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

Section 1. Section 22-11-30 NMSA 1978 (being Laws 1967, Chapter 16, Section 153, as amended) is amended to read:

"22-11-30. RETIREMENT BENEFITS.--

A. Retirement benefits for a member retired pursuant to the Educational Retirement Act on or before June 30, 1967 shall be paid monthly and shall be one-twelfth of a sum equal to one and one-half percent of the first four thousand dollars ($4,000) of the member's average annual salary and one percent of the remainder of the member's

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1   average annual salary multiplied by the number of years of the

2   member's total service credit.

3   B.   Retirement benefits for a member retired

4   pursuant to the Educational Retirement Act on or after July 1,

5   1967 but on or before June 30, 1971 shall be paid monthly and

6   shall be one-twelfth of a sum equal to one and one-half

7   percent of the first six thousand six hundred dollars ($6,600)

8   of the member's average annual salary and one percent of the

9   remainder of the member's average annual salary multiplied by

10   the number of years of the member's total service credit.

11   C.   Retirement benefits for a member retired

12   pursuant to the Educational Retirement Act on or after July 1,

13   1971 but on or before June 30, 1974 shall be paid monthly and

14   shall be one-twelfth of a sum equal to one and one-half

15   percent of the member's average annual salary multiplied by

16   the number of years of the member's total service credit.

17   D.   Retirement benefits for a member retired

18   pursuant to the Educational Retirement Act on or before June

19   30, 1974 but returning to employment on or after July 1, 1974

20   for a cumulation of one or more years shall be computed

21   pursuant to Subsection E of this section. Retirement benefits

22   for a member retired pursuant to the Educational Retirement

23   Act on or before June 30, 1974 but returning to employment on

24   or after July 1, 1974 for a cumulation of less than one year

25   shall be computed pursuant to Subsection A of this section if

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1   his date of last retirement was on or before June 30, 1967 or

2   pursuant to Subsection B of this section if his date of last

3   retirement was on or after July 1, 1967 but not later than

4   June 30, 1971 or pursuant to Subsection C of this section if

5   his date of last retirement was on or after July 1, 1971 but

6   not later than June 30, 1974.

7   E.   Retirement benefits for a member age sixty or

8   over, retired pursuant to the Educational Retirement Act on or

9   after July 1, 1974 but not later than June 30, 1987, shall be

10   paid monthly and shall be one-twelfth of a sum equal to:

11   (1)   one and one-half percent of the member's

12   average annual salary multiplied by the number of years of

13   service credit for:

14   (a)   prior employment; and

15   (b)   allowed service credit for service

16   performed prior to July 1, 1957, except United States military

17   service credit purchased pursuant to Paragraph (3) of

18   Subsection A of Section 22-11-34 NMSA 1978; plus

19   (2)   two percent of the member's average

20   annual salary multiplied by the number of years of service

21   credit for:

22   (a)   contributory employment;

23   (b)   allowed service credit for service

24   performed after July 1, 1957; and

25   (c)   United States military service

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1   credit for service performed prior to July 1, 1957 and

2   purchased pursuant to Paragraph (3) of Subsection A of Section

3   22-11-34 NMSA 1978.

4   F.   Retirement benefits for a member age sixty or

5   over, retired pursuant to the Educational Retirement Act on or

6   after July 1, 1987 but not later than June 30, 1991, shall be

7   paid monthly and shall be one-twelfth of a sum equal to two

8   and fifteen hundredths percent of the member's average annual

9   salary multiplied by the number of years of the member's total

10   service credit; provided that this subsection shall not apply

11   to any member who was retired in any of the four quarters

12   ending on June 30, 1987 without having accumulated not less

13   than 1.0 years earned service after June 30, 1987.

14   G.   Except as provided in Subsection H of this

15   section, retirement benefits for a member age sixty or over,

16   retired pursuant to the Educational Retirement Act on or after

17   July 1, 1991, shall be paid monthly and shall be one-twelfth

18   of a sum equal to two and thirty-five hundredths percent of

19   the member's average annual salary multiplied by the number of

20   years of the member's total service credit; provided that this

21   subsection shall not apply to any member who was retired in

22   any of the four consecutive quarters ending on June 30, 1991

23   without having accumulated at least one year earned service

24   beginning on or after July 1, 1991.

25   H.   A member who, at the time of the election, is

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1 eligible to retire pursuant to Paragraph (3) of Subsection A

2 of Section 22-11-23 NMSA 1978 but has not retired, may make an

3 irrevocable election with the director to continue regular

4 employment and receive retirement benefits pursuant to this

5 subsection. Upon the later retirement of a member making an

6 election pursuant to this subsection, the member shall

7 receive:

8   (1) a retirement benefit calculated pursuant

9 to Subsection G of this section using the salary at the time

10 of the election and the number of years of the member's total

11 service credit that the member had accumulated at the time of

12 the election; and

13   (2) a lump-sum payment equal to the total of

14 the member's contributions and the contributions of the local

15 administrative unit that were made after the date of the

16 election plus interest at a rate equal to seventy-five percent

17 of the average rate earned by the fund during the five fiscal

18 years preceding the fiscal year of the refund, reduced by the

19 sum of any disability benefits received by the member after

20 the date of the election.

21   [H.] I. A member's average annual salary, pursuant

22 to this section, shall be computed on the basis of the last

23 five years for which contribution was made or upon the basis

24 of any consecutive five years for which contribution was made

25 by the member, whichever is higher. Members shall begin

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1   receiving retirement benefits by age seventy and six months,

2   or upon termination of employment, whichever occurs later."

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2   FORTY-FOURTH LEGISLATURE

3   FIRST SESSION, 1999

4

5

6   March 3, 1999

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8   Mr. Speaker:

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10   Your **EDUCATION COMMITTEE,** to whom has been referred

11

12   **HOUSE BILL 855**

13

14 has had it under consideration and reports same with

15 recommendation that it **DO PASS**, amended as follows:

16

17   1.   On page 4, line 25, strike "A" and insert in lieu

    thereof "On or after October 1, 1999, a".

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19   2.   On page 5, line 9, before "salary" insert "average

20 annual".,

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22 and thence referred to the **APPROPRIATIONS AND FINANCE**

    COMMITTEE.

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4   Respectfully submitted,

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9   **Rick Miera, Chairman**

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11
Adopted _____   Not Adopted _____
12

13   (Chief Clerk)   (Chief Clerk)

14

15   Date _____

16

17   The roll call vote was 14 For 0 Against

18   Yes: 14

19   Excused: Marquardt, Stapleton

20   Absent: None

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22   J:\99BillsWP\H0855

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1 FORTY-FOURTH LEGISLATURE
2 FIRST SESSION, 1999

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                                          March 5, 1999
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7 Mr. Speaker:

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9   Your **APPROPRIATIONS AND FINANCE COMMITTEE,** to
10 whom has been referred

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                HOUSE BILL 855, as amended
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13 has had it under consideration and reports same with
14 recommendation that it **DO PASS.**

15

16   Respectfully submitted,

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    Max Coll, Chairman

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Adopted _____   Not Adopted _____

(Chief Clerk)   (Chief Clerk)

Date _____

The roll call vote was __14__ For __0__ Against

Yes: 14

Excused: Coll, Heaton, Pearce

Absent: None

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underscored material = new
[bracketed material] = delete

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FORTY-FOURTH LEGISLATURE

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FIRST SESSION, 1999

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March 11, 1999

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Mr. President:

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Your **FINANCE COMMITTEE**, to whom has been referred

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HOUSE BILL 855, as amended

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has had it under consideration and reports same with

16

recommendation that it **DO PASS**.

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Respectfully submitted,

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Ben D. Altamirano, Chairman

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Adopted_____ Not

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Adopted_____

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           (Chief Clerk)   (Chief Clerk)

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           Date _____

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The roll call vote was _4_ For _3_ Against

11

Yes: 4

12

No: Lyons, McKibben, Wilson

13

Excused: Campos, Carraro, Ingle, Rodriguez, Smith, Altamirano

14

Absent: None

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