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_____ BILL

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO JUDICIAL RETIREMENT; PROVIDING FOR A DISTRIBUTION PURSUANT TO THE OIL AND GAS PROCEEDS AND PASS-THROUGH ENTITY WITHHOLDING TAX ACT TO THE JUDICIAL RETIREMENT FUND AND TO THE MAGISTRATE RETIREMENT FUND; DELAYING FURTHER DISTRIBUTIONS TO THE LEGISLATIVE RETIREMENT FUND UNTIL FISCAL YEAR 2026.

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

SECTION 1. Section 7-1-6.43 NMSA 1978 (being Laws 2003, Chapter 86, Section 1, as amended) is amended to read:

"7-1-6.43. DISTRIBUTION--OIL AND GAS PROCEEDS AND PASS-THROUGH ENTITY WITHHOLDING TAX--MAGISTRATE RETIREMENT FUND--JUDICIAL RETIREMENT FUND--LEGISLATIVE RETIREMENT FUND.--

A. [~~Beginning on July 1, 2019~~] A distribution pursuant to Section 7-1-6.1 NMSA 1978 from the net receipts attributable to the amount of tax deducted pursuant to the Oil

.216015.1SA

underscoring material = new
~~[bracketed material] = delete~~

underscored material = new
[bracketed material] = delete

1 and Gas Proceeds and Pass-Through Entity Withholding Tax Act
2 shall be made as follows:

3 (1) prior to July 1, 2025:

4 (a) to the magistrate retirement fund in
5 the amount of one hundred thousand dollars (\$100,000); and

6 (b) to the judicial retirement fund in
7 the amount of one hundred thousand dollars (\$100,000); and

8 (2) on and after July 1, 2025, to the
9 legislative retirement fund in the amount of seventy-five
10 thousand dollars (\$75,000) or, if larger, in an amount equal to
11 one-twelfth of the amount necessary to pay out the retirement
12 benefits due under state legislator member coverage plan 2 and
13 Paragraph (2) of Subsection C of Section 10-11-41 NMSA 1978 for
14 the succeeding calendar year.

15 B. In regard to the distribution to the legislative
16 retirement fund, in December [~~2003~~] 2024 and in each December
17 thereafter, [~~except in 2017~~] the public employees retirement
18 association, with the assistance of the legislative council
19 service, shall determine the amount of retirement benefits for
20 the succeeding calendar year. If the monthly average exceeds
21 seventy-five thousand dollars (\$75,000), the association shall
22 immediately notify the department of the average amount."

23 **SECTION 2. EFFECTIVE DATE.**--The effective date of the
24 provisions of this act is July 1, 2020.