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SENATE BILL 265

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

Vernon D. Asbill

AN ACT

RELATING TO EDUCATIONAL RETIREMENT; ADJUSTING THE EMPLOYER AND
EMPLOYEE CONTRIBUTION RATES.

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

SECTION 1. Section 22-11-21 NMSA 1978 (being Laws 1967,
Chapter 16, Section 144, as amended) is amended to read:

"22-11-21. CONTRIBUTIONS--MEMBERS--LOCAL ADMINISTRATIVE
UNITS.--

A. Except as provided in Subsection C of this
section, each member shall make contributions to the fund
according to the following schedule:

(1) through June 30, 2005, an amount equal to
seven and six-tenths percent of the member's annual salary;

(2) from July 1, 2005 through June 30, 2006,
an amount equal to seven and six hundred seventy-five

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1 thousandths percent of the member's annual salary;

2 (3) from July 1, 2006 through June 30, 2007,
3 an amount equal to seven and seventy-five hundredths percent of
4 the member's annual salary;

5 (4) from July 1, 2007 through June 30, 2008,
6 an amount equal to seven and eight hundred twenty-five
7 thousandths percent of the member's annual salary; ~~and~~

8 (5) ~~[on and after]~~ from July 1, 2008 through
9 June 30, 2011, an amount equal to seven and nine-tenths percent
10 of the member's annual salary, except that from July 1, 2009
11 through June 30, 2011, for members whose annual salary is
12 greater than twenty thousand dollars (\$20,000), the member
13 contribution rate shall be nine and four-tenths percent of the
14 member's annual salary;

15 (6) from July 1, 2011 through June 30, 2012,
16 for members whose annual salary is equal to or less than twenty
17 thousand dollars (\$20,000), an amount equal to eight and
18 twenty-five thousandths percent of the member's annual salary,
19 and for members whose annual salary is greater than twenty
20 thousand dollars (\$20,000), an amount equal to nine and five
21 hundred twenty-five thousandths percent of the member's annual
22 salary;

23 (7) from July 1, 2012 through June 30, 2013,
24 for members whose annual salary is equal to or less than twenty
25 thousand dollars (\$20,000), an amount equal to eight and

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1 fifteen-hundredths percent of the member's annual salary, and
2 for members whose annual salary is greater than twenty thousand
3 dollars (\$20,000), an amount equal to nine and sixty-five
4 hundredths percent of the member's annual salary;

5 (8) from July 1, 2013 through June 30, 2014,
6 for members whose annual salary is equal to or less than twenty
7 thousand dollars (\$20,000), an amount equal to eight and two
8 hundred seventy-five thousandths percent of the member's annual
9 salary, and for members whose annual salary is greater than
10 twenty thousand dollars (\$20,000), an amount equal to nine and
11 seven hundred seventy-five thousandths percent of the member's
12 annual salary; and

13 (9) on and after July 1, 2014, for members
14 whose annual salary is equal to or less than twenty thousand
15 dollars (\$20,000), an amount equal to eight and four-tenths
16 percent of the member's annual salary, and for members whose
17 annual salary is greater than twenty thousand dollars
18 (\$20,000), an amount equal to nine and nine-tenths percent of
19 the member's annual salary.

20 B. Except as provided in Subsection C of this
21 section, each local administrative unit shall make an annual
22 contribution to the fund according to the following schedule:

23 (1) through June 30, 2005, a sum equal to
24 eight and sixty-five hundredths percent of the annual salary of
25 each member employed by the local administrative unit;

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1 (2) from July 1, 2005 through June 30, 2006, a
2 sum equal to nine and forty-hundredths percent of the annual
3 salary of each member employed by the local administrative
4 unit;

5 (3) from July 1, 2006 through June 30, 2007, a
6 sum equal to ten and fifteen-hundredths percent of the annual
7 salary of each member employed by the local administrative
8 unit;

9 (4) from July 1, 2007 through June 30, 2008, a
10 sum equal to ten and ninety-hundredths percent of the annual
11 salary of each member employed by the local administrative
12 unit;

13 (5) from July 1, 2008 through June 30, 2009, a
14 sum equal to eleven and sixty-five hundredths percent of the
15 annual salary of each member employed by the local
16 administrative unit;

17 (6) from July 1, 2009 through June 30, 2011, a
18 sum equal to ten and nine-tenths percent of the annual salary
19 of each member employed by the local administrative unit,
20 except that for members whose annual salary is twenty thousand
21 dollars (\$20,000) or less, the local administrative unit shall
22 contribute twelve and four-tenths percent of the member's
23 annual salary;

24 (7) from July 1, 2011 through June 30, 2012, a
25 sum equal to [~~thirteen and fifteen-hundredths percent of the~~

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1 ~~annual salary of each member employed by the local~~
2 ~~administrative unit; and] eleven and four-tenths percent of the~~
3 ~~annual salary of each member employed by the local~~
4 ~~administrative unit, except that, for members whose annual~~
5 ~~salary is twenty thousand dollars (\$20,000) or less, the local~~
6 ~~administrative unit shall contribute twelve and sixty-five~~
7 ~~hundredths percent of the member's annual salary;~~

8 (8) from July 1, 2012 through June 30, 2013, a
9 sum equal to eleven and nine-tenths percent of the annual
10 salary of each member employed by the local administrative
11 unit, except that, for members whose annual salary is twenty
12 thousand dollars (\$20,000) or less, the local administrative
13 unit shall contribute twelve and nine-tenths percent of the
14 member's annual salary;

15 (9) from July 1, 2013 through June 30, 2014, a
16 sum equal to twelve and four-tenths percent of the annual
17 salary of each member employed by the local administrative
18 unit, except that, for members whose annual salary is twenty
19 thousand dollars (\$20,000) or less, the local administrative
20 unit shall contribute thirteen and fifteen-hundredths percent
21 of the member's annual salary;

22 (10) from July 1, 2014 through June 30, 2015,
23 a sum equal to twelve and nine-tenths percent of the annual
24 salary of each member employed by the local administrative
25 unit, except that, for members whose annual salary is twenty

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1 thousand dollars (\$20,000) or less, the local administrative
2 unit shall contribute thirteen and four-tenths percent of the
3 member's annual salary;

4 (11) from July 1, 2015 through June 30, 2016,
5 a sum equal to thirteen and four-tenths percent of the annual
6 salary of each member employed by the local administrative
7 unit, except that, for members whose annual salary is twenty
8 thousand dollars (\$20,000) or less, the local administrative
9 unit shall contribute thirteen and sixty-five hundredths
10 percent of the member's annual salary; and

11 [~~(8)~~] (12) on and after July 1, [2012] 2016, a
12 sum equal to thirteen and nine-tenths percent of the annual
13 salary of each member employed by the local administrative
14 unit.

15 C. If, in a calendar year, the salary of a member,
16 initially employed by a local administrative unit on or after
17 July 1, 1996, equals the annual compensation limit set pursuant
18 to Section 401(a)(17) of the Internal Revenue Code of 1986, as
19 amended, then:

20 (1) for the remainder of that calendar year,
21 no additional member contributions or local administrative unit
22 contributions for that member shall be made pursuant to this
23 section; provided that no member shall be denied service credit
24 solely because contributions are not made by the member or on
25 behalf of the member pursuant to the provisions of this

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1 subsection; and

2 (2) the amount of the annual compensation
3 limit shall be divided into four equal portions, and, for
4 purposes of attributing contributory employment and crediting
5 service credit, each portion shall be attributable to one of
6 the four quarters of the calendar year."

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