

1 SENATE BILL 63

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

3 INTRODUCED BY

4 Michael Padilla

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10 AN ACT

11 RELATING TO PUBLIC EMPLOYEE RETIREMENT; REPEALING AND
12 REENACTING A NEW SECTION 10-11-118 NMSA 1978 (BEING LAWS 2020,
13 CHAPTER 11, SECTION 61) RELATING TO COST-OF-LIVING ADJUSTMENT
14 PROVISIONS FOR QUALIFIED PENSION RECIPIENTS; PROVIDING COST-OF-
15 LIVING ADJUSTMENTS THAT ARE EQUAL TO SOCIAL SECURITY AND
16 SUPPLEMENTAL SECURITY INCOME COST-OF-LIVING ADJUSTMENTS; MAKING
17 AN APPROPRIATION.

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

20 SECTION 1. Section 10-11-118 NMSA 1978 (being Laws 2020,
21 Chapter 11, Section 61) is repealed and a new Section 10-11-118
22 NMSA 1978 is enacted to read:

23 "10-11-118. [NEW MATERIAL] COST-OF-LIVING ADJUSTMENTS--
24 QUALIFIED PENSION RECIPIENT.--

25 A. A qualified pension recipient is eligible for a
.226960.2

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1 cost-of-living pension adjustment. A qualified pension
2 recipient is:

3 (1) a normal retired member who has been
4 retired for at least two full calendar years from the effective
5 date of the member's latest retirement prior to July 1 of the
6 year in which the pension is being adjusted;

7 (2) a normal retired member who has attained
8 the age of sixty-five years and has been retired for at least
9 one full calendar year from the effective date of the member's
10 latest retirement prior to July 1 of the year in which the
11 pension is being adjusted;

12 (3) a disability retired member who has been
13 retired for at least one full calendar year from the effective
14 date of the member's latest retirement prior to July 1 of the
15 year in which the pension is being adjusted;

16 (4) a survivor beneficiary who has received a
17 survivor pension for at least two full calendar years; or

18 (5) a survivor beneficiary of a deceased
19 retired member who otherwise would have been retired for at
20 least two full calendar years from the effective date of the
21 member's latest retirement prior to July 1 of the year in which
22 the pension is being adjusted.

23 B. Beginning January 1, 2025, and no later than
24 each January 1 thereafter, the retirement board shall certify
25 to the association the social security and supplemental

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1 security income cost-of-living adjustment determined by the
2 federal social security administration for that calendar year.

3 C. Beginning July 1, 2025, and each July 1
4 thereafter, the cost-of-living adjustment to a qualified
5 pension recipient payable pursuant to the Public Employees
6 Retirement Act shall be in an amount equal to the amount
7 certified by the retirement board pursuant to Subsection B of
8 this section, and the amount of increase shall be determined by
9 multiplying the amount of pension, inclusive of all prior
10 adjustments, by the social security and supplemental security
11 income cost-of-living adjustment determined by the federal
12 social security administration for that calendar year.

13 D. A qualified pension recipient may decline an
14 increase in a pension by giving the association written notice
15 of the decision to decline the increase at least thirty days
16 prior to the date the increase would take effect."

17 SECTION 2. APPROPRIATION.--Fifty million dollars
18 (\$50,000,000) is appropriated from the general fund to the
19 public employees retirement association for expenditure in
20 fiscal year 2025 and subsequent fiscal years to provide
21 adequate funding for cost-of-living adjustments to qualified
22 pension recipients. Any unexpended or unencumbered balance
23 remaining at the end of a fiscal year shall not revert to the
24 general fund.

25 SECTION 3. EFFECTIVE DATE.--The effective date of the
.226960.2

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provisions of this act is December 1, 2024.

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