

LFC Requester:	Simon
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to 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: Feb. 11, 2025 *Check all that apply:*
Bill Number: Senate Bill 337 Original Correction
 Amendment Substitute

Sponsor: Roberto "Bobby" J. Gonzales **Agency Name and Code** State Ethics Commission (410)
Short Title: Disability & Survivor Pensions **Number:** _____
Person Writing Caroline "KC" Chato
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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
Total						

(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:

Section 1 amends the payment structure in Section 10-11-4 NMSA 1978, removing specific instructions concerning full payments and instead requiring that payment and withdrawn contributions shall be made in accordance with the procedures established by the retirement board.

Section 2 provides that the Procurement Code shall not apply to the procurement of services related to the collection of overpayments in Section 10-11-4.2 NMSA 1978.

Section 3 amends Section 10-11-10.1 NMSA 1978 to modify the requirements for the “disability review committee” membership from requiring a physician licensed in New Mexico, to a licensed physician with the board giving preference to a physician licensed in New Mexico. The Section also includes clarifying language throughout and updates the state disability retirement pension amount to only be discontinued if the amount of earnings from gainful employment is one hundred percent or more of the amount that causes a decrease or suspension of an old age benefit under the federal social security program, removing language “or fifteen thousand dollars (\$15,000), whichever is less.”

Section 4 clarifies language related to designated survivor beneficiaries and payment to eligible surviving spouses and children under Section 10-11-14.5 NMSA 1978.

Section 5 amends Section 10-11-26.3 NMSA 1978 to include a reference to members who become a public regulation commission commissioner on or after January 1, 2023.

Section 6 updates the provisions of Section 10-11-130 NMSA 1978 related to public inspection of public employees retirement association records to allow the association to disclose applicable coverage plans, amounts of retirement plan contributions made by members and affiliated public employers and aggregate pension amounts paid; the names and address of members or retirees for candidates for election to the retirement board; and member file information to the educational retirement board.

Section 7 amends Section 10-11-130.1 NMSA 1978, removing a provision that created specific gift restrictions on retirement board members and employees of the retirement board or association, replacing it instead with a provision requiring members of the retirement board and employees of the association comply with the provisions of the Gift Act.

Section 8 amends the prohibition in Section 10-11-135 NMSA 1978, which provides that none of the funds mentioned in the Public Employees Retirement Act shall be assignable and subject to execution, levy, attachment, garnishment or other legal process, to include an exception as required by federal law, federal action, or order of a federal court or federal agency.

Section 9 updates Section 10-11A-7 NMSA 1978 to remove that the annuity paid to a beneficiary spouse shall cease upon the surviving spouse's marriage.

Section 10 clarifies the language in Section 10-12C-4 NMSA 1978 regarding retired members who file an exemption from membership under the Magistrate Retirement Act.

Section 11 makes a technical amendment to Section 10-12C-8 NMSA 1978, changing "while still in office" to "while serving a term of office for which service credit is accrued."

FISCAL IMPLICATIONS

There are no fiscal implications for the State Ethics Commission.

SIGNIFICANT ISSUES

Section 2 provides that the provisions of the Procurement Code shall not apply to the procurement of services related to the collection of overpayments as provided in the section. By exempting these procurements from the Procurement Code, it would not only exempt procurement of these services from the requirement of a sealed, competitive bid/proposal process, but also from the basic disclosure, anti-corruption and conflict-of-interest provisions of the Code, set forth in Sections 13-1-190 through 13-1-195, which together prohibit bribes and kickbacks, require disclosure of campaign contributions, prohibit contemporaneous employment with both the government and contracting party, and prohibit the use of confidential information for private gain. There is no sound policy reason why these basic disclosure, anti-corruption and conflict-of-interest provisions should not apply to the procurement of these services.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

Section 6(I) prohibits the disclosure of "information from any member or retiree file unless a prior release and consent" has been executed by the member or retiree, but Section J(1) permits the disclosure of "amounts of retirement plan contributions made by members and affiliated public employers."

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS