

RESOLUTION NO. 22-08

**RESOLUTION CONCERNING INTEREST ON REPAYMENTS
FOR REINSTATEMENT OF FORFEITED MRA SERVICE CREDIT**

WHEREAS, NMSA 1978, Section 10-12C-5(B) of the Magistrate Retirement Act provides that Magistrate Retirement Act members who have forfeited service credit by withdrawal of member contributions may reinstate the forfeited service credit by repaying the amount withdrawn plus compound interest from the date of withdrawal to the date of repayment at a rate set by the Board; and,

WHEREAS, MRA Rule 2.84.400.8(B)(3) NMAC provides that the rate of interest for reinstatement of forfeited service credit shall be set annually by the Board and shall be effective beginning the next succeeding January 1st;

NOW, THEREFORE, BE IT RESOLVED that the PERA Board hereby adopts the following interest rate schedule:

Beginning January 1, 2023, the rate of interest on repayments for the reinstatement of service credit shall be calculated as follows:

- A. For contributions withdrawn prior to January 1, 1984, interest shall be calculated at the rate of 5.25% compounded annually from the date of withdrawal through December 31, 1983, at the rate of 10.0% compounded annually through December 31, 2001, at the rate of 8.0% compounded annually through December 31, 2014, at the rate of 7.75% compounded annually through December 31, 2016, and at the rate of 7.25% compounded annually thereafter up to the date of repayment.
- B. For contributions withdrawn on or after January 1, 1984, interest shall be calculated at the rate of 10.0% compounded annually from the date of withdrawal through December 31, 2001, at the rate of 8.0% compounded annually through December 31, 2014, at the rate of 7.75% compounded annually through December 31, 2016, and at the rate of 7.25% compounded annually thereafter up to the date of repayment.
- C. For contributions withdrawn on or after January 1, 2002, at the rate of 8.0% compounded annually through December 31, 2014, at the rate of 7.75% compounded annually from the date of withdrawal through December 31, 2016, and at the rate of 7.25% compounded annually thereafter up to the date of repayment.

- D. For contributions withdrawn on or after January 1, 2015, interest shall be calculated at the rate of 7.75% compounded annually from the date of withdrawal through December 31, 2016, and at the rate of 7.25% compounded annually thereafter up to the date of repayment.
- E. For contributions withdrawn on or after January 1, 2017, interest shall be calculated at the rate of 7.25% compounded annually from the date of withdrawal to the date of repayment.

PASSED, ADOPTED AND APPROVED THIS 28th DAY OF JULY, 2022.

RETIREMENT BOARD OF THE
PUBLIC EMPLOYEES RETIREMENT
ASSOCIATION OF NEW MEXICO

BY: _____


Claudia Armijo, PERA Board Chair

ATTEST: _____


Greg Trujillo, Executive Director