PERA
Public Employees
Retirement Association
of New Mexico

INVESTED IN TOMORROW.

RESOLUTION NO. 18-10

RESOLUTION CONCERNING INTEREST ON REPAYMENTS FOR REINSTATEMENT OF FORFEITED JRA SERVICE CREDIT

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service credit by withdrawal of member contributions may reinstate the forfeited service credit by repaying the amount withdrawn plus compound interest from the date of withdrawal to the date of repayment at the rate set by the board; and,

WHEREAS, JRA Rule 2.83.400.8.B.3 NMAC provides that the rate of interest for the 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, 2019, 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A. For contributions withdrawn prior to January 1, 1984, interest shall be calculated at the rate of 5.25% compounded annually from the date of withdrawal through December 31, 1983, at the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B. For contributions withdrawn on or after January 1, 1984, interest shall be calculated at the rate of 10.0% compounded annually from the date of withdrawal through December 31, 2001, at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C. For contributions withdrawn on or after January 1, 2002, at the rate of 8.0% compounded annually through December 31, 2014, at the rate of 7.75% compounded annually through December 31,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D. For contributions withdrawn on or after January 1, 2015, interest shall be calculated at the rate of 7.75% compounded annually from the date of withdrawal through December 31, 2016, and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E. For contributions withdrawn on or after January 1, 2017, interest shall be calculated at the rate of 7.25% compounded annually from the date of withdrawal to the date of repayment.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 30th DAY OF AUGUST, 2018.

RETIREMENT BOARD OF THE PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO

BY: _____
James Maxon, PERA Board Chair

ATTEST: _____
Wayne Propst, Executive Director