PERA
Public Employees
Retirement Association
of New Mexico

INVESTED IN TOMORROW.

RESOLUTION NO. 15-13

RESOLUTION CONCERNING INTEREST RATE ON UNREMITTED MEMBER CONTRIBUTIONS FOR LEGISLATIVE AND LIEUTENANT GOVERNOR SERVICE

WHEREAS, NMSA 1978, Section 10-11-42 of the Public Employees Retirement Act allows legislators and lieutenant governors to remit contributions for legislative or lieutenant governor service to PERA during the year service credit is earned or thereafter in accordance with PERA procedures; and

WHEREAS, NMSA 1978, Section 10-11-124 provides that PERA may assess interest on all member contributions not timely received; and,

WHEREAS, PERA Rule 2.80.1200.11 NMAC further provides that the rate of interest for unremitted legislative and lieutenant governor member contributions shall be set annually by the board at a July meeting 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, 2016, the rate of interest on unremitted contributions for legislative and lieutenant governor service credit shall be calculated as follows:

A. For calendar years prior to January 1, 1984, interest shall be calculated at the rate of 5.25% compounded annually from December 31 of the applicable year through December 31, 1983.

B. For calendar years between December 31, 1983 and December 31, 2001, interest shall be calculated at the rate of 10.0% compounded annually from December 31 of the applicable year through December 31, 2001; except that no interest shall accrue during the period from January 1, 1989 through December 31, 1996.

C. For calendar years between December 31, 2001 and December 31, 2014, interest shall be calculated at the rate of 8.0% compounded annually from December 31 of the applicable year through the date of payment.

D. For calendar years after December 31, 2014, interest shall be calculated at the rate of 7.75% compounded annually from December 31 of the applicable year through the date of payment.

PASSED, ADOPTED AND APPROVED THIS 29th DAY OF OCTOBER, 2015.

RETIREMENT BOARD OF THE PUBLIC EMPLOYEES RETIREMENT ASSOCIATION OF NEW MEXICO

BY: _____
Patricia French, PERA Board Chair

ATTEST: _____
Wayne Propst, Executive Director