

NEW MEXICO
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION
RULES & ADMINISTRATION
COMMITTEE MEETING

April 14, 2015

This meeting of the Public Employees Retirement Board Rules & Administration Committee was called to order by Chair Dan Esquibel at 1:00 p.m. on the above-cited date in the PERA Building, Fabian Chavez Jr. Board Room, 33 Plaza La Prensa, Santa Fe, New Mexico.

Following the Pledge of Allegiance, roll was called by Executive Director Wayne Propst and a quorum was established as follows:

Members Present:

Dan Esquibel, Chair
Patty French, Vice Chair
Paula Fisher
John Reynolds

Member(s) Excused:

Dan Mayfield

Other Member(s) Present:

Louis Martinez

Staff Members Present:

Wayne Propst, Executive Director
Susan Pittard, Chief of Staff/General Counsel
Karen Risku, Deputy General Counsel
Roderick Ventura, Assistant General Counsel
Claudia Armijo, Assistant General Counsel
Jonathan Grabel, Chief Investment Officer
Greg Trujillo, Deputy Director
Julian Baca, Deputy CIO
Judy Olson, Executive Assistant
Joaquin Lujan, Portfolio Manager

2. APPROVAL OF AGENDA

Mr. Reynolds moved to approve the agenda as presented. Ms. Fisher seconded and the motion passed by unanimous [4-0] voice vote.

3. APPROVAL OF CONSENT AGENDA

Ms. French moved to approve the consent agenda. Ms. Fisher seconded and the motion passed by unanimous [4-0] voice vote.

For the record, Chair Esquibel stated that he reviewed the minutes and found them complete and accurate.

4. CURRENT BUSINESS

A. Action Item: Proposed 2015 Rulemaking Timeline and Notice of Rulemaking [*Exhibit 1: 2015 Rulemaking Timeline; Exhibit 2: Notice of PERA Rulemaking*]

Assistant General Counsel Roderick Ventura said staff is proposing rulemaking to occur June 2015. The focus is changes in legislation for the Judicial and Magistrate plans and a small change within the Volunteer Firefighters plan. The rulemaking will align the rules with the laws and statutes.

The proposed notice for PERA rulemaking for the Judicial and Magistrate include changes to membership, service credit, member contributions, and interception of division of payments, retirement, and retired members.

The proposed timeline allows for the required 30 days notice in a paper of general circulation before the rulemaking. For the rulemaking to occur in June, the notice of timeline needs to move forward by the end of the month. In May, the rulemaking notice will be filed in the *New Mexico Register* and published in the *Albuquerque Journal* as well as on the PERA website. The rules will be available to the general public and written comments will be accepted up to June 3rd prior to the June 9th Rulemaking Hearing, followed by a Special Board meeting the same day. Once filed with the Commission of Public Records/State Records Center the rules will become effective on June 30, 2015.

In regard to other possible rule changes, Mr. Ventura said it is possible that could be accomplished prior to calendar year-end.

In an effort to improve the circulation of the notice, Mr. Reynolds recommended publishing in *Round the Roundhouse* and *La Voz*. Chief of Staff/General Counsel Susan Pittard said staff is sensitive to the issue of transparency and the cycle for *La Voz* publication is not in sync with the rulemaking. Copies of the rules will be provided to the AOC and the assistance of the State Fire Marshal will be sought to disseminate information to the volunteer firefighters.

In regard to *Round the Roundhouse*, Ms. Pittard said staff could look into that and Mr. Reynolds requested consideration of that.

Mr. Ventura said all the agencies have rulemaking authority, procedures with similar timelines and notice requirements. He was unaware of any requirement for rulemaking notification in *Round the Roundhouse*.

Ms. French said she was not inclined to set a precedent for state agencies to use *Round the Roundhouse* for rulemaking notification. Mr. Reynolds said he did not see any downside in publishing the rulemaking or an informational article on the proposed changes.

Chair Esquibel said this rulemaking is merely cleanup and he felt additional notice was not warranted. It may be appropriate if rules were being amended or added. He noted that Executive Assistant Olson has been directed to forward the current rules to all committee members to begin a systematic rule review.

Mr. Reynolds said he hoped for the opportunity to address amending the PERA Rule regarding publication of notice later in the year.

Ms. Fisher moved to approve the 2015 rulemaking timeline as proposed by staff. Her motion was seconded by Ms. French and passed by unanimous [4-0] voice vote.

Ms. French moved to approve the notice of rulemaking as proposed by staff. Her motion was seconded by Ms. Fisher and passed by unanimous [4-0] voice vote.

5. OTHER BUSINESS

A discussion regarding an additional rulemaking prior to the end of the calendar year occurred. It was agreed that the Chair would propose a schedule for review of the different rule sections and Ms. Olson will advise the Committee via emails of appropriate sections.

Ms. Pittard reminded the Committee that rulemaking requires a formal rulemaking hearing and including notice, it is a four-month process.

6. ADJOURNMENT

Having completed the agenda, Chair Esquibel adjourned this meeting at approximately 1:30 p.m.

Approved by:



Patricia French, Vice-Chair
Rules & Administration Committee

ATTEST:



Wayne Probst, Executive Director

Attached Exhibits:

Exhibit 1: 2015 Rulemaking Timeline

Exhibit 2: Notice of PERA Rulemaking