

**NEW MEXICO**  
**PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**  
**RULES & ADMINISTRATION**  
**PERA RULEMAKING HEARING**

**June 9, 2015**

This rulemaking hearing of the Public Employees Retirement Board Rules & Administration Committee was called to order by Chair Dan Esquibel at approximately 9:00 a.m. on the above-cited date in the PERA Building, Fabian Chavez Jr. Board Room, 33 Plaza La Prensa, Santa Fe, New Mexico.

Roll was called by Executive Director Wayne Propst and a quorum was established as follows:

**Members Present:**

Dan Esquibel, Chair  
Patty French, Vice Chair  
John Reynolds

**Member(s) Excused:**

Dan Mayfield  
Paula Fisher

**Other Member(s) Present:**

Louis Martinez  
Roman Jimenez  
Stewart Logan  
Loretta Naranjo Lopez

**Staff Members Present:**

Wayne Propst, Executive Director  
Susan Pittard, Chief of Staff/General Counsel  
Jonathan Grabel, Chief Investment Officer  
Renada Perry-Galon, ASD Director  
Greg Trujillo, Deputy Director  
Judy Olson, Executive Assistant  
Karen Risku, Deputy General Counsel  
Roderick Ventura, Assistant General Counsel  
Claudia Armijo, Assistant General Counsel  
Natalie Cordova, Finance Controller

2. **APPROVAL OF AGENDA**

Ms. French moved to approve the agenda as presented. Mr. Reynolds seconded and the motion passed by unanimous [3-0] voice vote.

3. **APPROVAL OF CONSENT AGENDA**

Chair Esquibel said he reviewed the minutes and they were accurate.

Ms. French moved to approve the consent agenda. Mr. Reynolds seconded and the motion passed by unanimous [3-0] voice vote.

4. **CURRENT BUSINESS**

As the first order of business, Rod Ventura, Assistant General Counsel, reviewed the exhibits contained in the Rulemaking Hearing packet [*Exhibit 1*] as follows:

- Exhibit A: Notice of PERA Rulemaking listing the 13 different rules under consideration, notice to public advising how to get copies of the proposed rules, and how to provide written and oral comments
- Exhibit B: Affidavit of publication in the *New Mexico Register*
- Exhibit C: Evidence of publication in the *Albuquerque Journal*
- Exhibit D: Evidence of publication on the PERA website with links to the rules
- Exhibit E: A compilation of the proposed rule changes
- Exhibit F: The entirety of each proposed rule

Mr. Ventura moved that Exhibits A through F be entered into the record and Chair Esquibel accepted.

Mr. Ventura commented that PERA has not received any written comments.

A. **Judicial Retirement**

- 2.83.300 NMAC, Membership
- 2.83.400 NMAC, Service Credit
- 2.83.500 NMAC, Member Contributions
- 2.83.600 NMAC, Interception or Division of Payments
- 2.83.700 NMAC, Retirement
- 2.83.1100 NMAC, Retired Members

Mr. Ventura said the rule changes are being proposed to align with legislative changes that occurred in 2014 and 2015 and language edit/cleanup. He offered the following review:

**2.83.300 NMAC, Membership:** Judicial membership is now mandatory for judges.

**2.83.400 NMAC, Service Credit:** Eliminates the provision for new judges to buyback time in the case they had exempted from participating in the fund. That no longer applies.

**2.83.500 NMAC, Member Contributions:** Update on the interest rate (5.25 percent to 2 percent) for member contribution.

**2.83.600 NMAC, Interception or Division of Payments:** Explicitly states that federal orders of garnishment in criminal cases may require the garnishment of retirement.

**2.83.700 NMAC, Retirement:** Change in qualification of retirement stating that judges who became members prior to July 1, 2014 can now retire at age 65 with five or more years of service credit.

**2.83.1100 NMAC, Retired Members:** This change makes it clear that once a judge is retired he or she is bound by restrictions of employment with an employer affiliated with any State system or the Educational Retirement system.

**B. Magistrate Retirement**

**2.83.300 NMAC, Membership**

**2.83.400 NMAC, Service Credit**

**2.83.500 NMAC, Member Contributions**

**2.83.600 NMAC, Interception or Division of Payments**

**2.83.700 NMAC, Retirement**

**2.83.1100 NMAC, Retired Members**

Mr. Ventura said these rule changes track with the Judicial changes as outlined above.

**C. Volunteer Firefighters**

**2.87.100 NMAC, Volunteer Firefighters**

Mr. Ventura said this rule change limits the time period for a volunteer firefighter member to post or adjust service credit earned towards retirement to the preceding two years prior to the filing of a corrected qualification record.

With the mandatory requirement for membership for the Judicial and Magistrate, Mr. Martinez asked how many additional members that would bring to the PERA system. Mr. Ventura guesstimated less than 200 members.

Mr. Ventura said the restrictions regarding employees with ERA or PERA affiliates applies to general members as well. He said there are specific IRS rules to determine independent contractor status.

Chair Esquibel asked to include definition/distinction between employee and independent contractor as a future agenda item.

**Public Input**

Vernon Muller, Deputy State Fire Marshal, said his office is extremely interested in the volunteer firefighter retirement program. He said they stand in strong support of the rule change and thanked Deputy Director Trujillo and Director Propst for their efforts.

There were no other speakers and the public comment portion was closed.

Mr. Reynolds moved to adopt the proposed rule changes as presented by staff for the Judicial, Magistrate and Volunteer Firefighters retirement. Ms. French seconded and the motion passed by unanimous [3-0] voice vote.

**5. OTHER BUSINESS**

None were presented.

**6. ADJOURNMENT**

Having completed the agenda, Chair Esquibel declared this meeting adjourned at approximately 9:30 a.m.

Approved by:



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Dan Esquibel, Chair  
Rules & Administration Committee

ATTEST:



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Wayne Propst, Executive Director

Exhibits:

*Exhibit 1: Rulemaking Hearing packet, June 9, 2015 Exhibits A through F*