

NNMHRA LEGISLATIVE NEWS

No. 9

3/22/2011

By David Larson

SESSION IS OVER

The session ended last Saturday after the Legislature considered the fate of 1283 bills, 89 joint memorials, 43 joint resolutions, and 166 memorials. Of these items, I tracked and reported on 136 bills and 13 joint memorials and resolutions that were of HR interest. Only 19 of these bills passed both houses and were sent to the Governor for her disposition. She has until April 8, 2011 to sign, veto, or take no action (pocket veto) on the bills. One joint memorial of HR interest also passed both houses.

LAST MINUTE CHANGES TO BILLS THAT PASSED BOTH HOUSES

Listed below are some **last minute changes** to previously reported bills that passed both houses.

H8, Development Training Programs. The appropriation for providing classroom and in-plant training for new or expanding NM business was **slashed from \$5 million to \$1.25 million.**

H58, Judicial Retirement Contributions. This bill was amended to **prohibit use of docket fees to defray judicial retirement fund costs** so the entire cost must be paid as a shared percent of payroll between the employee and employer. Agencies were funded for this increased cost.

H59, Unemployment Contribution Temporary Schedule. This bi-partisan bill, which did not change since the last time I reported on it, is on its way to the Governor. **The shocker is that as soon as the session ended, the Governor announced she was going to veto this bill because she thought her policies would revive the state's economy and lead to job growth and a reduction in unemployment.** This projected economic turnaround had better happen fast since the unemployment fund is scheduled to be depleted by March, 2012, at which time it would go into an expensive federal receivership costing employers even more than the 72% payroll tax increase in this bill.

H628, Contribution Rate Changes in Retirement Plans. This companion bill to the General Appropriations Act, continues the temporary 1.5% of payroll contribution shift from the state to the state employee, and adds another 1.75% shift. These changes, along with deferring previously legislated increased state payments to ERA, saved the state \$110 million. **A last second attempt to make the changes permanent was thwarted; however, a clause was added to allow the 1.75% shift to continue for a second year if the revenue picture does not improve.**

S119, Retirement Beneficiary Designation of Spouse. Currently, the designation of a spouse as a beneficiary is, in most cases, irrevocable even if the spouse predeceases the PERA/ERA retiree. **This legislation first proposed to fix this problem by allowing a beneficiary change to a subsequent spouse upon remarriage but was finally amended to allow a beneficiary change to any named beneficiary in these limited circumstances.** Prohibitions against changing beneficiaries who are still alive remain.

S476, No College Credit Needed for State Police. A common pattern for justifying salary increases is to raise the qualifications and then, several years after the salary increase, propose to reduce the qualifications (but not the salary). This was one of those situations. Years ago State Police received a substantial salary increase package that included a new requirement of 60 hours of college credit. **This bill originally proposed to eliminate the college credit requirement; however it was later amended to allow a substitution of two years of military or law enforcement experience for the 60 college credit hours.**

S574, CYFD Employees of Good Moral Character. This bill, which prohibited applicants, contractors or employees convicted of a felony from serving in positions that would put them in direct unsupervised contact with CYFD clients was amended to include "convicted of a felony **directly related to the job duties,**" and anyone who has **a substantiated charge of abuse or neglect.**

I will continue to send Newsletters though April 8 at which time I will send a set of final reports. As bills are signed into law, their final form can be obtained from the Office of the Secretary of State web site, www.sos.state.nm.us.

The Legislature maintains an excellent web site where you can track or print copies of bills and other legislative reports, and access other legislative information, www.nmlegis.gov, click on bill locator.

Keep watching for weekly issues of **NNMHRA Legislative News**, which will be distributed by e-mail and posted to the NNMHRA website, www.nnmhra.shrm.org. If you wish to be removed from the NNMHRA Legislative News mailing list, please contact me at DTLARS@AOL.COM.