

1-18-20-13

## Weekend January 18-20, 2013

### Legislature Adjourns Until Monday

Both Houses of the legislature have adjourned for what is likely to be the only long weekend of the session. They will reconvene on Monday morning. Committee schedules will be announced then and the business of passing, or at least talking about legislation, will begin. NEA-New Mexico will begin analyzing the legislation already introduced this weekend so we can begin back-home lobbying in earnest next week.

### Retirement Solvency

Another issue that needs to be resolved during this sixty-day legislative session is approval of the unanimous Education Retirement Plan agreed upon by all public employee stakeholder groups (NEA, AFSCME, AFT, CWA, retiree groups, colleges, universities, administrators, and school boards were represented), passed by the Educational Retirement Board (ERB), and unanimously approved by the interim legislative group, the Investment and Pension Oversight Committee (IPOC).

Legislators urged all of us to sit down together and present them with a plan all of us could agree to support and that is where we are now. Not only did IPOC give its unanimous approval to turn this proposal into legislation, they took it one step further— something that we highly support- they added keeping those public school employees making \$20,000 or less at a 7.9% employee contribution. The stakeholder plan follows the input that NEA-NM members gave: NO change to benefits for current retirees; it does NOT change benefits or requirements for current employees; it does raise the employee contribution to 10.7% for current and future employees (NOT the 11.3% proposed to the Legislature last year and another good reason for a salary increase); it also commits the legislature to living up the promises it made 5 years ago to increase its contribution rate by an additional .75% per year for three more years! It also creates a minimum retirement age of 55 and COLA eligibility at 67 for NEW employees hired after 6/30/12. There are some who are throwing red herrings out to make it sound as if this benefit is being “given” to you. We stand firmly that our retirement is salary we have already earned, which by mutual agreement, has been deferred to create a retirement account.

Legislation that embodies these recommendations has been introduced and will be heard for the first time in the House Labor Committee next week. Representative Mimi Stewart is carrying the House version, House Bill 64, Educational Retirement Changes, , will be heard in the House Labor Committee on Thursday at 1:30 p.m. in Room 305 of the Capitol. Let Committee Members know that we support this important legislation to keep our retirement system solvent.

### Legislative Training

NEA-New Mexico's annual legislative training session will be next week on January 23,  
• Legislative Conference & Reception: January 23, 2013, Santa Fe

### Committee Appointments

There was news Thursday when the Senate finally finished selecting committees; we congratulate NEA-Las Cruces member Senator Bill Soules, new vice chair of Education!

The House announced committee appointments late Wednesday. Congratulations to NEA-NM retired member Tomas Salazar, member of the House Education Committee, NEA-NM retired member Mimi Stewart, chair of house Education and active NEA-Pojoaque member Stephanie Garcia-Richard, member of House Education. Our union colleague, retired AFT NM President Christine Trujillo is vice chair of House Education.

### Legislative Leadership

The Session began Monday with the election of new leadership. A long-standing controversy over the President Pro Tempore was resolved when a unanimous vote of the Senate elected the potential candidate of a Republican/Democrat coalition Mary Kay Papan. She was nominated by the former Democratic Caucus candidate Pete Campos. As a result of this controversy, the Senate is not expected to complete naming committees and chairs until Thursday.

The organization of the House was much more routine. Representative Ken Martinez was elected Speaker by a straight party-line vote with all 38 Democrats voting for him and the 32 Republicans voting for their floor leader.

The House is expected to announce its committee appointments later today, but the Senate is not expected to complete committee appointments before Thursday or Friday.

### Budget Information--Call About Salaries this Weekend

Very little business has been conducted. But it is not too early to contact your legislator about funding salaries. One tell them school employees need a raise and that the Governor's proposed 0 percent is not enough. Neither is the Legislative Finance Committee's 1%!

Many legislators will return home for the three day weekend. This is likely your last chance to see most of them in their districts during the session. If you see them at Church, at the Mall, or at a meeting, tell them we need to restore education funding to at least the 2008 funding levels.

### Here are the two budget proposals.

The Legislative Finance Committee recommends \$32 million for a 1 percent increase for all public employees. Public employee salaries have not been increased across the board since FY09. The committee recommends \$38.4 million to reverse the 1.5 percent retirement swap (decrease in employer contributions to Public Employees Retirement Association and Educational Retirement Board, increase in employee contributions) adopted as a solvency measure in 2011. Finally the LFC recommends \$16 million for public schools and higher education to fund a scheduled 0.75 percent employer contribution increase that had been postponed during the solvency era. The ERB employer increase is contingent on enactment of 2013 legislation to further restore ERB solvency.

For public schools, the LFC is focused on the need to improve early learning proficiency and to close the achievement gap. The committee recommends \$2.5 billion in overall education funding, an increase of almost \$91 million, or 3.7 percent, over FY13 appropriations (not counting \$18 million for a recommended 1 percent compensation increase). Many states have added weights for at-risk students as high as 50 percent, but the New Mexico at-risk weight is only 8 percent. The LFC recommends \$23 million as a companion to legislation to increase the weight for at-risk students and to begin aligning the training and experience index with the three-tiered licensure system. Further, the LFC addresses the significant problem of early literacy with increased funding for Kindergarten-Three-Plus and prekindergarten of \$5.5 million each. These programs target at-risk students and demonstrate a high return on investment.

The Governor's budget for public schools does not recommend an across the board salary increase, but rather targets \$11 million for a merit pay increase for some teachers and nothing for any other employees. The public education department requests \$2.5 billion in funding, which represents an increase of \$99.3 million, or 4.1 percent, increase over the FY 13 appropriation. The request contains:

- approximately \$2.34 billion to the State Equalization Guarantee, an increase of \$67.7 million, or 3.0 percent including: over \$21.0 million for the Educational Retirement Board (ERB) Employer/Employee swap ; and over \$11.5 million for an increase in the Employer's ERB contribution (0.75 percent)
  - approximately \$132.5 million in categorical public school support, an increase of \$3.2 million, or about 2.5 percent.
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