

01-21-13

Monday, January 21, 2013

Slow Monday

Not much in the way of real business is happening as the Legislature begins to gear up for actual hearings on bills. The House Education Committee Scheduled for Monday morning was cancelled due to the Chair's illness. Both the House and Senate Education Committees are scheduled to meet on Wednesday and Friday mornings at 8:00. On Wednesday, the committees will begin hearing on the public school budget, House Bill 3. On Friday the committees will hear the proposals of the Education Partners.

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.

A joint session of the full House and Senate will be held on Wednesday beginning at 10:00 AM. While the session is intended to hear about pension changes in general, it will be an opportunity to talk about the stakeholder/ERB proposal. Each public employee union has been asked to give a five minute presentation on their views. It will be our opportunity to promote the solvency solution before the first committee hearing the next day.

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
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