

TITLE 2 PUBLIC FINANCE
CHAPTER 80 PUBLIC EMPLOYEES RETIREMENT
PART 1400 RECIPROCITY

2.80.1400.1 ISSUING AGENCY: Public Employees Retirement Association, P. O. Box 2123, Santa Fe, New Mexico 87504-2123
[10-15-97; 2.80.1400.1 NMAC - Rn, 2 NMAC 80.1400.1, 12-28-01]

2.80.1400.2 SCOPE: This rule affects the members, former members, normal retirees (as distinguished from disability retirees), beneficiaries, public employers, retirement board, and the association under the Public Employees Retirement Act.
[10-15-97; 2.80.1400.2 NMAC - Rn, 2 NMAC 80.1400.2, 12-28-01]

2.80.1400.3 STATUTORY AUTHORITY: This rule is authorized by NMSA 1978, Sections 10-13A-2, 10-13A-3, 10-13A-4, and 10-11-130 as amended.
[10-15-97; 2.80.1400.3 NMAC - Rn, 2 NMAC 80.1400.3, 12-28-01]

2.80.1400.4 DURATION: Permanent.
[10-15-97; 2.80.1400.4 NMAC - Rn, 2 NMAC 80.1400.4, 12-28-01]

2.80.1400.5 EFFECTIVE DATE: December 15, 1995 unless a different date is cited at the end of a section.
[10-15-97; 2.80.1400.5 NMAC - Rn, 2 NMAC 80.1400.5, 12-28-01]

2.80.1400.6 OBJECTIVE: The objective of this rule is to establish standards and procedures for reciprocity retirement, for eligible reciprocal service credit, and for overlapping service credit.
[10-15-97; 2.80.1400.6 NMAC - Rn, 2 NMAC 80.1400.6, 12-28-01]

2.80.1400.7 DEFINITIONS: [Reserved]
[2.80.1400.7 NMAC - Rn, 2 NMAC 80.1400.7, 12-28-01]

2.80.1400.8-9 [Reserved]

2.80.1400.10 GENERAL PROVISIONS

A. "Salary" is defined by each state system for that state system. Each system shall certify the member's salary as defined by that system to the payor system, and the payor system shall accept that salary for pension calculation purposes where applicable.

B. The Public Employees Retirement Reciprocity Act applies to normal retirement only, and does not apply to disability retirement or pre-retirement survivor pensions.

C. PERA retiree: If a retired member whose service credit at retirement was acquired only under PERA is:

- (1) subsequently employed by an employer covered under another state system, and
- (2) the retired member becomes a contributing member of that system, and
- (3) the retired member's PERA pension is suspended for the period of membership under that system,

and

(4) the retired member acquires service credit under that system, then the subsequently acquired service credit is eligible reciprocal service credit; when the member terminates the subsequent employment and retires again, the subsequent retirement shall be governed by the provisions of the Public Employees Retirement Reciprocity Act.

D. Retiree under another state system: If a retired member whose service credit at retirement was acquired only under another state system is:

- (1) subsequently employed by an employer covered under PERA, and
- (2) the retired member becomes a contributing member of PERA, and
- (3) the retired member's pension is suspended for the period of membership under PERA, and
- (4) the retired member acquires service credit under PERA, then the subsequently acquired service credit is eligible reciprocal service credit; when the member terminates the subsequent employment and retires

again, the subsequent retirement shall be governed by the provisions of the Public Employees Retirement Reciprocity Act.

E. Overlapping service credit.

(1) If a member has service credit for the same period of time for employment by public employers covered under different state systems, service credit may only be acquired under one state system for the period of overlapping service credit.

(2) If a member retires with service credit under more than one state system for an overlapping period, the member shall be granted service credit for this overlapping period as follows:

(a) PERA, JRA or MRA shall grant service credit earned for the months the member was employed by an employer covered under one or more of these systems in accordance with all applicable statutes and rules.

(b) ERA shall grant service credit for the quarters of ERA service credited to the member in accordance with all applicable ERA statutes and rules less the amount of service credit granted by PERA, JRA or MRA in subparagraph 2(a) above. In no case shall a member be credited with more than one month of service credit for all service in any calendar month.

F. Free or purchased military service credit under any state system may only be considered eligible reciprocal service credit under one state system for reciprocity retirement purposes.

G. When a member retires according to the provisions of the Public Employees Retirement Reciprocity Act or requests a service credit verification or benefits estimate, each state system under which the member has acquired eligible reciprocal service credit shall furnish the payor system with a certified statement of the member's service credit, and other pertinent data necessary to compute the member's pension.

H. A member retired according to the provisions of the Public Employees Retirement Reciprocity Act shall receive the same cost of living adjustments provided by each state system under which the retired member acquired eligible reciprocal service credit. Each state system shall pay the cost of living adjustment due under the provisions of that state system for the portion of the total pension attributable to service credit acquired under that state system.

I. A member retiring according to the provisions of the Public Employees Retirement Reciprocity Act shall only elect a form of payment option with the payor system. Each state system shall calculate benefits according to the same form of payment, except in the case of a member who retires under PERA and elects form of payment D, in which case the ERA component of the pension shall be calculated according to form of payment A.

J. Amendments to this rule shall be effective only if adopted by the educational retirement board and the public employees retirement board.

[10-15-97; 11-15-97; 2.80.1400.10 NMAC - Rn, 2 NMAC 80.1400.10, 12-28-01; A, 9-30-03; A, 8-31-04; A, 6-30-05]

HISTORY of 2.80.1400 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the State Records Center and Archives under: PERA Rule 1400.00, Reciprocity Act filed on 7-1-87; PERA Rule 1400, Reciprocity filed on 7-1-93; PERA Rule 1400, Reciprocity filed on 11-1-94; PERA Rule 1400, Reciprocity filed on 12-1-95.