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SENATE JOINT RESOLUTION 2

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Roberto "Bobby" J. Gonzales and Cynthia Borrego

A JOINT RESOLUTION

PROPOSING TO AMEND ARTICLE 20 OF THE CONSTITUTION OF NEW MEXICO
BY ADDING A NEW SECTION TO PROHIBIT THE EXPENDITURE OR
ENCUMBRANCE OF TRUST FUNDS CREATED FOR PUBLIC EMPLOYEES RETIREE
HEALTH CARE FOR ANY PURPOSE EXCEPT FOR THE SOLE AND EXCLUSIVE
BENEFIT OF THE TRUST BENEFICIARIES; PROVIDING FOR THE
ADMINISTRATION OF THE TRUST FUNDS; AFFIRMING CERTAIN PROPERTY
RIGHTS.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. It is proposed to amend Article 20 of the
constitution of New Mexico by adding a new section to read:

"A. All funds, assets, proceeds, income,
contributions, gifts and payments from any source whatsoever
paid into or held by a public employees retiree health care
system created by the laws of this state shall be held in a

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1 retiree health care trust fund to be administered and invested
2 for the sole and exclusive benefit of the members, retirees and
3 other beneficiaries. Expenditures from the trust fund shall be
4 made only for the benefit of the trust fund beneficiaries and
5 for expenses of administering the public employees retiree
6 health care system. The trust fund shall never be used,
7 diverted, loaned, assigned, pledged, invested, encumbered or
8 appropriated for any other purpose. To the extent consistent
9 with the provisions of this section, the trust fund shall be
10 invested and the public employees retiree health care system
11 administered as provided by law.

12 B. The board of the public employees retiree health
13 care system shall be the trustees of the trust fund, and the
14 board has the sole and exclusive fiduciary duty and
15 responsibility for administration and investment of the trust
16 fund.

17 C. The board of the public employees retiree health
18 care system has the sole and exclusive power and authority to
19 adopt actuarial assumptions based upon the recommendations made
20 by an independent actuary with whom it contracts.

21 D. Upon meeting the minimum service requirements of
22 an applicable retiree health care plan created by law for
23 employees of the state and any of its institutions or political
24 subdivisions, a member of a retiree health care plan shall
25 acquire a vested property right with due process protections

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under the applicable provisions of the constitution of New Mexico and United States constitution.

E. Nothing in this section shall be construed to prohibit modifications to retiree health care plans that enhance or preserve the actuarial soundness of the trust fund or individual retiree health care plans."

SECTION 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next general election or at any special election prior to that date that may be called for that purpose.