



## EDUCATIONAL RETIREMENT BOARD

P.O. Box 26129, Santa Fe, NM 87502-0129

**RATES EFFECTIVE 07/01/2023 to 06/30/2024**

### JOB CATEGORY CODES

For all Job Categories, Gross Wages = gross salary before any deductions, including pre-tax deductions, during the calendar month.

#### Regular Employees

“R” = NMERB Regular Member - Full Time Equivalent salary is greater than \$24,000.00. **Employer rate change effective 07/01/23. Member rate remains unchanged.**

Member contributions = 10.70% of Gross Wages  
Employer contributions = 18.15% of Gross Wages

“RU” = NMERB Regular Member - Full Time Equivalent salary is \$24,000.00 and under. **Employer rate change effective 07/01/23. Member rate remains unchanged.**

Member contributions = 7.90% of Gross Wages  
Employer contributions = 18.15% of Gross Wages

#### Long Term Substitutes

Non-retired substitutes who work 90 consecutive days or more in the same classroom (teacher) or for the same position (non-teacher).

“LT” = Long Term Substitutes - Full Time Equivalent salary greater than \$24,000.00. **Employer rate change effective 07/01/23. Member rate remains unchanged.**

Member contributions = 10.70% of Gross Wages  
Employer contributions = 18.15% of Gross Wages

“LU” = Long Term Substitutes - Full Time Equivalent salary \$24,000.00 and under. **Employer rate change effective 07/01/2023. Member rate remains unchanged.**

Member contributions = 7.90% of Gross Wages  
Employer contributions = 18.15% of Gross Wages

#### Part Time

“PT” = Working the equivalent of 0.25 FTE or less and not retired from NMERB, ARP Plan, or NMPERA. Employers must include Gross Wages and an FTE percentage for this category in the electronic reporting file sent to NMERB.

- If working for a single employer the equivalent of 0.25 FTE or less, no contribution is necessary
- If working for 2 or more employers, and the combined time worked is the equivalent of 0.25 FTE or less then no contribution is necessary.
- If working for 2 or more employers, and the combined time worked is greater than the equivalent of 0.25 FTE, contributions are required and employee is reported as a Regular member.

### **Excludable – Short Term Substitutes**

“EX” = Non-retired substitutes who work less than 90 consecutive days in the same classroom (teacher) or for the same position (non-teacher). Employers must include Gross Wages on the electronic reporting file. A Short-Term Substitute is “any employee engaged on a day-to-day basis to replace another employee” (not a Long Term Substitute). NMERB retirees are not reported under “EX” regardless of their position, they must be reported under the RTW Program or one of the RTW Options.

### **Leave Without Pay**

“LW” This includes employees on extended leave who are not currently receiving any pay directly from the employer. Payments from disability insurance or Worker’s Compensation are not considered to be “pay” received from an employer. When the code is used there should be no Gross Wages or Contributions on the work report.

### **NMPERA Retirees**

Questions regarding if NMPERA retirees are able to work for an NMERB LAU should be addressed directly to NMPERA, 505-476-9300 or 800-342-3422.

“RP” = NMPERA Retired Member. Earning Full Time Equivalent salary greater than \$24,000. **Employer rate change effective 07/01/23.**  
Member contributions = 0.0% of Gross Wages  
Employer contributions = 18.15% of Gross Wages

“PU” = NMPERA Retired Member. Earning Full Time Equivalent salary \$24,000 and under. **Employer rate change effective 07/01/23.**  
Member contributions = 0.0% of Gross Wages  
Employer contributions = 18.15% of Gross Wages

### **Return to Work Program (“RTW Program”) – NMERB Retirees\***

The RTW Program requirements also apply to retired ARP participants. When hiring an employee who wishes to participate in the RTW Program, the employer must obtain a copy of an approved RTW Program application from the employee. To be eligible to work in the RTW Program, the employee must have completed a 12 consecutive month break in service (a/k/a “layout period”), submit a RTW application to NMERB and be approved prior to working.

“RT” = Return to Work with the Full Time Equivalent salary greater than \$24,000.00. **Contribution responsibility change for both Employers and Members was effective 07/01/11. Employer rate change effective 07/01/23. Member rate remains unchanged.**  
Member contributions = 10.70% of Gross Wages- **Non-Refundable**  
Employer contributions = 18.15% of Gross Wages

“TU” = Return to Work with the Full Time Equivalent salary \$24,000.00 and under. **Contribution responsibility change for both Employer and Member was effective 07/01/11. Employer rate change effective 07/01/23. Member rate remains unchanged.**  
Member contributions = 7.90% of Gross Wages- **Non-Refundable**  
Employer contributions = 18.15% of Gross Wages

### **36 Month Return to Work Option (“New”) – NMERB Retirees\* Effective 05/18/2022**

This RTW Program requirements also apply to retired ARP participants. HB73 allows retirees to return to work after completing a 90-day layout. A retiree must submit a RTW application and receive approval. The retiree cannot have worked for an NMERB employer or contractor in a position that would otherwise be or in the past have been performed by a paid employee or an independent contractor for 90 days. The retired NMERB member will be able to return to work for up to 36 consecutive or nonconsecutive months without suspending benefits.

“NR” = Return to Work with the Full Time Equivalent salary greater than \$24,000.00.  
**Contribution responsibility change for both Employers and Members was effective 07/01/11. Employer rate change effective 07/01/23. Member rate remains unchanged.**

Member contributions = 10.70% of Gross Wages- **Non-Refundable**

Employer contributions = 18.15% of Gross Wages

“NU” = Return to Work with the Full Time Equivalent salary \$24,000.00 and under.  
**Contribution responsibility change for both Employer and Member was effective 07/01/11. Employer rate change effective 07/01/23. Member rate remains unchanged.**

Member contributions = 7.90% of Gross Wages- **Non-Refundable**

Employer contributions = 18.15% of Gross Wages

### **Return to Work Options – NMERB Retirees\***

The RTW Options requirements also apply to retired ARP participants.

“RE” = NMERB Retiree Earning less than \$15,000. An NMERB retiree working in a “covered position” can earn less than \$15,000 per fiscal year (July 1 to June 30).  
**Statute effective 5/20/20.**

Member contributions = 0.0% (unless limits are exceeded)

Employer contributions = 0.0% (unless limits are exceeded)

“RW” = NMERB Retiree Working 0.25 FTE or less. An NMERB retiree working part-time in a “covered position” under this sub-category cannot work more than one quarter or 25% (0.25 FTE) of the time required for a full time equivalent (FTE) in that position. **Rule effective 7/1/11.**

Member contributions = 0.0% (unless limits are exceeded)

Employer contributions = 0.0% (unless limits are exceeded)

*Return to Work Program:* Members and Employers must pay contributions to participate in the RTW Program. *Members are not entitled to a refund of contributions paid while working in the RTW Program.* Retired Members in the RTW Program have options to withdraw from the program:

- 1.** Suspend Retirement - the Member may suspend their NMERB pension and resume working as an active member and earn additional service credit. The Employer must report the Member with Job Category of “R” or “RU.” The Member will later apply to re-retire.
- 2.** The retired Member may apply to withdraw from the RTW Program and apply for either the Earning less than \$15,000 – OR - Working 0.25 FTE or less options.

*Earning less than \$15,000:* NMERB retirees must lay out for 90 consecutive days after their retirement date, submit a RTW Application to NMERB and be approved prior to working. Earnings for all NMERB employers combined must be less than \$15,000 per fiscal year (July 1

to June 30). This includes, but is not limited to, NMERB retirees working as Short-Term Substitutes. If an NMERB retiree's workload reaches or exceeds \$15,000, that retiree is no longer eligible for this option. The retiree must return to active status and pay contributions at the same rates as active members of the defined benefit plan, or if the retiree has a 12 consecutive month layout period after their effective retirement date, they may submit a RTW Application to change to "RT" or "TU".

*Working 0.25 FTE or Less Limit:* NMERB retirees must submit a RTW Application to NMERB and be approved prior to working. There is no layout period. The 0.25 FTE or less limit is based on a workload limitation that is 25% of a full-time position (100% FTE) (0.25 FTE also is referred to as "25% FTE"). "Full Time Equivalent" refers to the number of hours, classes, etc. that constitute full time employment for the position in which the retiree is working. What constitutes the full-time equivalent may vary for each position. It is the Employer's responsibility to determine the full time equivalent for each position and the basis for making that determination; i.e., whether the determination based on the number of hours, classes, etc. NMERB does not make this determination but may review it to determine whether the employer's decision is reasonable. If an NMERB retiree's workload exceeds 25% of full time, that retiree is no longer eligible for this option. The retiree must return to active status and pay contributions at the same rates as active members of the defined benefit plan, or if the retiree has a 12 consecutive month layout period after their effective retirement date, they may submit a RTW Application to change to "RT" or "TU".

### **Alternative Retirement Plan (ARP)**

"AP" = ARP Participant (Universities, Jr. Colleges, Community Colleges ONLY).  
**Employer rate change effective 07/01/23. Member rate remains unchanged.**  
ARP Participant contributions to NMERB = 0.00% of Gross Wages  
Employer contributions to NMERB = 7.25% of Gross Wages

NOTE: Total ARP contribution amounts for Employers and Employees are the same as the R or RU categories above. Seven and one quarter percent (7.25%) from the Employers' contributions are remitted to NMERB. The balance of the Employer contributions are remitted to the participant's selected ARP vendor.

**Upon being hired in an ARP eligible position, the employee has 90 days to elect to participate in ARP. While the employee is making a decision, the employer must deduct and remit the mandatory contributions to NMERB. If the employee elects to participate in ARP, the completed ARP form is mailed to NMERB. The Employer then submits the necessary adjustment forms to move the member to the AP job category. Employers are responsible for determining whether a position is eligible for ARP. Please refer to the ARP operations manual at: <https://www.nmerb.org/wp-content/uploads/2020/08/ARP-Operations-Manual-rev.-12.6.2019.pdf> or the employer's list of Board approved ARP eligible positions for guidance on eligibility.**

*Return to Work Options and ARP:* ARP participants who have retired are eligible to work under the "RE" (Earning less than \$15,000) or "RW" (0.25 FTE or less) RTW Options. Retired ARP participants who exceed the applicable limits under the RTW Options will be placed in the RTW Program regardless of whether they applied for the program or completed the required break in service; they must be reported as "RT" or "TU" and pay non-refundable contributions as required by NMSA 1978 Section 22-11-25.1 (E). They will not earn service credit while in the RTW Program. Consistent with federal law, the benefits of retired ARP participants who exceed the RTW Option limits will not be suspended and they will not be required to re-apply for retirement upon termination.