LFC Requester:	Liu	
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# PUBLIC EDUCATION DEPARTMENT BILL ANALYSIS 2025 REGULAR SESSION

## **SECTION I: GENERAL INFORMATION**

Check a	ll that apply:					
Origina	l X Amendmen	nt	Date Pr	epared:	03/04 /25	
Correction Substitute			Bill No: HM47			
		Agen	cy Name and C	ode: PE	D - 924	
Sponsor:	Mirabal-Moya/Baca	PED	Lead Analyst:	David V	incent	
		Phone	: (505) 695-6574	Email:	David.vincent@ped.nm.gov	
Short	STUDY PUBLIC SCH	OOL PED	Policy Director:	Denise 7	Terrazas	
Title:	EMPLOYEE COMPE	NSATION Phone	: (505) 470-5303	Email:	denise.terrazas@ped.nm.gov	

## **SECTION II: FISCAL IMPACT**

(Parenthesis ( ) Indicate Expenditure Decreases)

# <u>APPROPRIATION</u> (dollars in thousands)

Appropr	iation	Recurring Fund	
FY26	FY27	or Nonrecurring	Affected
None	None	N/A	NFA

## **REVENUE** (dollars in thousands)

<b>Estimated Revenue</b>			Recurring or Fund		
FY26	FY27	FY28	Nonrecurring	Affected	
None	None	None	N/A	NFA	

## **ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	N/A	Nonrecurring	NFA

Duplicates/Relates to Appropriation in the General Appropriation Act: The General Appropriation Act contains a proposed appropriation of approximately \$4.5 billion to the state equalization guarantee that includes funding to provide all affected employees a minimum hourly wage of \$15.00, as well as including approximately \$135 million to provide an average four percent salary increase to all public school personnel, as well as approximately \$141 million to provide and average salary increase of four percent for public school transportation personnel.

## **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: House Memorial 47 (HM47) would request the Legislative Education Study Committee (LESC) to conduct a comprehensive study of compensation for public school employees in New Mexico. The study would encompass factors affecting recruitment and retention, including salary competitiveness, compaction, and sustainability. The LESC would be further requested to collaborate with entities such as the Public Education Department (PED), educator preparation programs, the Legislative Finance Committee, school districts and charter schools, teachers' unions, and teachers themselves. The findings, conclusions, and recommendations from this study would be requested to be publicly reported and submitted to the governor and the legislature by December 31, 2025.

## FISCAL IMPLICATIONS

The memorial does not contain an appropriation.

## **SIGNIFICANT ISSUES**

According to the <u>2024 New Mexico Educator Vacancy Report</u>, teacher and administrator vacancy rates remain high, with 737 teacher vacancies and 1,259 educator vacancies overall. Staffing challenges extend beyond teachers, as school districts and charter schools may struggle to fill essential support staff positions, including educational assistants, custodians, bus drivers, and food service workers.

One important factor that addresses educator vacancies is compensation. Ensuring adequate compensation is essential for retaining highly qualified educators in the classroom. In 2022, the legislature passed <u>Senate Bill 1 (SB1)</u>, which increased teacher minimum salaries by \$10 thousand for each tier to \$50 thousand for level one teachers, \$60 thousand for level two teachers, and \$70 thousand for level three teachers. <u>As of 2024</u>, the average starting teacher salary is \$50,628, ranking eighth nationally and the average teacher salary is \$63,580, ranking twenty-second nationally.

In comparison, neighboring states reported the following average teacher salaries:

• **Arizona**: \$56,349 (ranked 41st)

• **Colorado**: \$63,224 (ranked 24th)

• **Texas**: \$60,716 (ranked 30th)

The Center for American Progress notes rising <u>health insurance premiums</u> may diminish the impact of recent salary increases, making it harder for school employees to afford their benefits.

## PERFORMANCE IMPLICATIONS

None.

## **ADMINISTRATIVE IMPLICATIONS**

The PED would be requested to collaborate with LESC and other stakeholders in conducting a comprehensive study on public school employee compensation.

# CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

## Relates to:

None.

- House Bill 156, Increase Educational Salaries, which proposes increasing the minimum salaries for teachers, school counselors, and school administrators in New Mexico.
- House Bill 195, Raise School Employee Minimum Wage.
- House Bill 200, Additional School Program Units, which proposes adding program units
  to the state equalization guarantee within the public school funding formula for licensed
  school employees with bilingual endorsements working in PED-approved BMEPs, as
  well as for teachers holding TESOL endorsements.
- HB201, Raise School Employee Minimum Wage, which seeks to raise the minimum annual salary for all full-time public school employees to \$30,000.
- House Bill 422, Teaching Resident Stipends.
- House Memorial 44, which calls for the LESC to establish a working group to examine the increasing costs of insurance premiums for school employees.

<ul> <li>the increasing costs of insurance premiums for school employees.</li> <li>Senate Bill 343, Teacher Salary Rate Changes</li> </ul>
TECHNICAL ISSUES
None.
OTHER SUBSTANTIVE ISSUES
None.
ALTERNATIVES
None.
WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL
None.
AMENDMENTS