

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 400

50th Legislature, 1st Session, 2011

Tracking Number: .184740.1

Short Title: Post-Secondary Assistants as Employees

Sponsor(s): Senator Gerald Ortiz y Pino

Analyst: James Ball

Date: February 13, 2011

Bill Summary:

SB 400 adds a new section to the higher education statutes to provide that individuals employed as graduate assistants, teaching assistants, research assistants, and project assistants at the public postsecondary educational institutions named in the state constitution shall be considered employees of that institution for all purposes except that they shall not be regular members pursuant to the *Educational Retirement Act*.

Fiscal Impact:

SB 400 does not contain an appropriation.

Fiscal Issues:

According to the analysis of SB 400 by the University of New Mexico (UNM), payroll taxes for Social Security contributions for these employees would cost UNM an estimated \$1.5 million per year. Furthermore, the assistants themselves would have to pay 7.65 percent of salaries for their share of Social Security, which would cost an additional \$1.5 million.

UNM also points out that part-time employees are eligible to purchase health insurance through the university plan. The cost to UNM for the employer contribution could be as much as \$2.9 million a year if every eligible assistant purchased health insurance. The employed assistants would also pay substantially more for their own health insurance than for the current student health coverage as that plan is far more comprehensive.

Additionally, UNM's analysis indicates that the state would become liable for unemployment claims by these employees, which UNM estimates at approximately \$656,000. This would translate to increased premiums to the university in the following year.

Substantive Issues:

Citing the university's catalogue, UNM points out that "the primary goal of an assistantship is to assist students in strengthening and successfully completing their academic program." UNM benefits from their work as teaching, research, and project assistants; and the assistants benefit from the opportunity to learn and practice the skills that will be needed for their future careers. In addition to knowledge and skill development, students are compensated with a stipend and, in most cases, a tuition scholarship and student health insurance.

UNM is also concerned that, unlike regular employees, assistants must maintain academic eligibility by meeting enrollment, academic progress, and a minimum grade point average of 3.0 each semester. If they are to be treated as employees, it is unclear how these standards would be enforced.

Background:

According to a February 9, 2011 article in the UNM student publication the *Daily Lobo*, “of those in the group impacted by SB 400 at UNM, on average, research assistants are the highest paid, pulling in roughly \$1,600 a month last year. In 2010, teaching assistants earned \$1,484 per month, graduate assistants earned \$1,332 a month, and project assistants were paid \$657 each month.”

According to the Eastern New Mexico University website, in the 2009-2010 academic year graduate assistants received \$8,500 per academic year and a tuition waiver with the expectation that the graduate assistant work 20 hours a week during regular semesters under the direct supervision of a faculty member.

The New Mexico State University website provides the table below, indicating the salaries for graduate assistants in 2008-2009 academic year based on a three-tiered level arrangement.

	Level I	Level II	Level III	Dates
Academic Year (.50 FTE)	\$ 15,800	\$ 16,000	\$ 16,200	8/18/08 to 5/12/09
Semester (.50 FTE) or Academic Year (.25 FTE)	\$ 7,900	\$ 8,000	\$ 8,100	Fall 8/18/08 to 12/16/08 Spring 1/08/09 to 5/12/09
Semester (.25 FTE)	\$ 3,950	\$ 4,000	\$ 4,050	Fall 8/18/08 to 12/16/08 Spring 1/08/09 to 5/12/09

Related Bills:

None as of 2/13/2011.