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Faubion, Jennifer

AGENCY BILL ANALYSIS 2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{*Analysis must be uploaded as a PDF*}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

| Chec | ek all that apply: | | Date Jan 18, 2024 | |
|------------------------|---------------------------|-------------------------|--------------------------|--|
| Original Correction | X Amendment Substitute | | Bill No: SB3 | |
| | | Agency Name and Code | State Personnel Office | |

| Sponsor: | Stewart, Chandler | Number: | 37800 |
|----------|-------------------------------|------------------------|-----------------------------------|
| Short | Paid Family and Medical Leave | Person Writing | Dylan K. Lange |
| Title: | Act | Phone: <u>505-476-</u> | 7742 Email Dylan.Lange@spo.nm.gov |

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

| Appropr | iation | Recurring | Fund Affected | |
|-------------|--------|-----------------|------------------|--|
| FY24 | FY25 | or Nonrecurring | | |
| N/A Unknown | | Nonrecurring | General | |
| | | | | |

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring | Fund |
|-------------------|------|---------|--------------------|----------|
| FY24 | FY25 | FY26 | or Nonrecurring | Affected |
| None | None | Unknown | | |
| | | | | |

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY24 | FY25 | FY26 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|-------|------|------|-------------------------|----------------------|------------------------------|------------------|
| Total | N/A | N/A | Additional WSD staff | Unknown | Recurring | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: HB6

Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SB3 establishes the Paid Family and Medical Leave Act to compensate employees and selfemployed persons taking leave to: bond with a child; take measures to protect themselves or family members who are victims of domestic violence, stalking, or sexual assault; or provide care for themselves or family members experiencing a serious health condition; or following the death of a minor child; or take leave for a family member on active military duty.

FISCAL IMPLICATIONS

This bill has no appropriation.

WSD may be in the best position to determine the level of additional staffing it will need to administer the requirements of the Act.

SIGNIFICANT ISSUES

The effect of this Act on the State of New Mexico as an employer is unclear.

Section 2 of the Act defines "employer" as a person that has one or more employees within the state and includes an agent of an employer and the state or a political subdivision of the state.

Section 11 of the Act pre-empts a city, county, home rule municipality or other political subdivision of the state from adopting or continuing any program that provides rights and benefits as set out in the Act. But the bill is silent on whether the State of New Mexico is pre-empted as well.

Section 4(G) of the Act permits an employer that has adopted and operates a paid family and medical leave plan substantially similar to or greater than the program offered under the Act to apply for a waiver exempting the employer from participating in the program.

Section 4(I)(1) presupposes that any employer granted a waiver is covered by a *privately* run leave program rather than a public plan. There is no recognition that the State of New Mexico has its own Paid Parental Leave policy in place pursuant to Executive Orders 2019-036 and

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

Even if the State was granted a waiver from participating in the program for one calendar year, the Act would require the State to re-apply for a waiver every successive calendar year. WSD is in the best position to address the full administrative implications of SB3

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS