



LFC Requester: Mercer-Garcia

**PUBLIC EDUCATION DEPARTMENT  
BILL ANALYSIS  
2025 REGULAR SESSION**

**SECTION I: GENERAL INFORMATION**

Check all that apply:

Original  Amendment   
Correction  Substitute

Date Prepared: 01/16 /25  
Bill No: HB11

**Agency Name and Code:** PED - 924

**Sponsor:** Chandler/Stewart

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**Short Title:** PAID FAMILY & MEDICAL LEAVE ACT

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**SECTION II: FISCAL IMPACT**

(Parenthesis ( ) Indicate Expenditure Decreases)

**APPROPRIATION (dollars in thousands)**

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

**REVENUE (dollars in thousands)**

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

Duplicates/Relates to Appropriation in the General Appropriation Act: House Bill 2 proposes to appropriate \$35 million to the Paid Family Medical Leave Fund that is contingent upon passage of this or similar legislation creating the Paid Family Medical Leave program.

## **SECTION III: NARRATIVE**

### **BILL SUMMARY**

Synopsis: House Bill 11 (HB11) would create the “Paid Family and Medical Leave Act.” The bill would require the creation and maintenance of the Paid Family and Medical Leave Act (PFMLA) by the Department of Workforce Solutions, which would apply to all public and private employees who are in the state of New Mexico. The bill creates the Paid Family Medical Leave fund, which would be used to compensate eligible New Mexico employees and eligible self-employed individuals filing claims for leave compensation for a maximum of 12 weeks, based on the employee’s average weekly wages during the twelve months preceding the date of the claim for leave. In addition to eligibility and leave duration for employees and self-employed individuals, the bill indicates any remaining balances at the end of the fiscal year will revert or be transferred to any other fund. The bill would not interfere with any employee under collective bargaining agreements and does not require any public or private employee in the state of New Mexico to use leave consecutively.

The bill does not provide an effective date. Laws go into effect 90 days after the adjournment of the Legislature enacting them, unless a later date is specified. If enacted, this bill would become effective June 20, 2025. Tax collection would begin January 1, 2027, and benefits would begin on January 1, 2028.

### **FISCAL IMPLICATIONS**

This bill does not contain an appropriation.

The LFC budget recommendation suggests an initial general fund appropriation of \$35 million for start-up costs.

The PFMLA requires the Department of Workforce Solutions to contract with an actuarial consultant to determine the premium rate, rate structure, benefit formula, and fund reserve. If this analysis suggests there is no solvency in the fund, premium rates for employees will increase. Beginning January 1, 2029, \$6 million would be transferred to the general fund annually to cover any startup costs associated with the PFMLA program, contingent upon passage of legislation appropriating funds for the purposes of the PMFLA.

The local educational agencies that the Public Education Department (PED) oversees would need to decide, as covered employers under the proposed Act, whether to create a self-funded plan that is equal to or better than the state plan established in the Act, or to participate in the state plan. Either approach will result in additional costs that each LEA would need to determine independently. This may result in requests for additional funding through the State Equalization Guarantee (SEG) or otherwise.

### **SIGNIFICANT ISSUES**

The Paid Family and Medical Leave Fund is paid by employers, employees, self-employed individuals, fees collected, and investments made by the state investment officer. The fund would be used for eligible leave compensation and to cover the administrative costs of the program. Eligibility and duration of paid family medical leave differs from the unpaid federal

Family and Medical Leave Act.

If enacted, the provisions of HB11 could help recruit and maintain the educator workforce in New Mexico. As of 2024, statewide New Mexico public schools have [737 teacher vacancies](#). Nearly three quarters (74 percent) of the educator workforce in New Mexico identifies as female, and women across the U.S. disproportionately identify as the primary caretakers of children and other family members. In 2024, almost [60 per cent of unpaid caregivers and over 80 per cent of paid caregivers](#) identify as women while, according to the Pew Research Center, women comprise approximately [77 percent of public education teachers](#). Guaranteed paid family leave for qualifying events would be an added benefit for teacher recruitment efforts.

#### **PERFORMANCE IMPLICATIONS**

None for PED.

#### **ADMINISTRATIVE IMPLICATIONS**

None for PED.

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

#### **TECHNICAL ISSUES**

None.

#### **OTHER SUBSTANTIVE ISSUES**

None.

#### **ALTERNATIVES**

None.

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

None.

#### **AMENDMENTS**

None.