

LFC Requester:

Joseph Simon

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://www.legis.nm.gov/AgencyAnalysis) and email to billanalysis@dfa.nm.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}***Date Prepared:** 1/22/26*Check all that apply:***Bill Number:** HB 98Original ☒ Correction ☐Amendment ☐ Substitute ☐**Sponsor:** Rep. Patricia Roybal Caballero
Short Title: Chair, House Labor, Veteran's and Military Affairs Committee**Agency Name and Code**

NM-Public Employee Labor Relations Board – BU37900

Number:**Person Writing**Pilar Vaile**Phone:** 505-831-5422**Email** Pilar.vaile@pelrb.nm.**SECTION II: FISCAL IMPACT: NONE AS TO PELRB SALARY BUDGET OR BENEFITS BECAUSE WE ARE GOV-EX; UNKNOWN AS TO OTHER AGENCIES OR STATE SALARIES/BENEFITS AS A WHOLE****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 98 amends and adds new provisions to NMSA Ch. 10, Art. 7, to provide state employees (a) set a \$15/hour minimum salary for; (b) 12 weeks of paid parental leave for each parent/domestic partner; (c) an opportunity to work remotely if eligible. It also amends NMSA 10-9-13 (Rules, Adoption, Coverage) to allow for promulgation of rules to implement these changes.

FISCAL IMPLICATIONS

The Bill would increase non-exempt state employee salaries that are lower than \$15/hour; and increase the cost of non-exempt state employees benefits paid parental leave that are less than those proposed. SPO has that information, but we note that their records indicates the average salary of state employees was much higher than \$15/hour at \$66,976/year in FY24, see [FY24-Compensation-Report.pdf](#).

SIGNIFICANT ISSUES

In Sections 1-4, the Bill treats certain state employees differently based on their exercise of rights under NMSA 10-7E-1 et seq., the Public Employee Bargaining Act (PEBA), to engage in collective bargaining. As such it is, will or may be in violation of the PEBA and related case law and/or jurisprudence.

PERFORMANCE IMPLICATIONS

Staff foresees that the changes in Sections 1-4 will likely result in extended litigation before our Agency and/or the New Mexico Courts, by treating state employees differently based on their exercise of protected rights under PEBA.

ADMINISTRATIVE IMPLICATIONS

The Bill will require rulemaking regarding implementation, and it remains to be seen if the Bill's language and intent are sufficiently clear, and not impermissibly broad or vague, regarding purpose and eligibility factors for remote work. *See* Technical Issues and Other Substantive Issues, below.

Additionally, as stated, there will likely be an increase of litigation to the extent the Bill treats state employees differently based on their exercise of protected rights under PEBA. This could affect the PELRB's overall operations as we have a small budget and small staff and have seen a steady increase in case-volume since 2020.¹ However, it is possible that one or two lead cases could be processed as representative, to facilitate administrative efficiency.

¹ In 2025 we processed 73 cases with two FTEs. By way of comparison, from 2004 through 2012 we processed an average of 75 cases a year with three FTEs; from 2012 through 2019 we averaged 33.75 cases a year with two FTEs; and from 2020 through 2025 we averaged 59.7 cases a year with two FTEs. *See* 2024 Annual Report, p. 52; 2025 Annual Report pending.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

As noted, the Bill arguably conflicts with PEBA by treating state employees differently based on their exercise of protected rights under PEBA. Even though this treatment surely reflects a good-faith attempt to avoid a conflict by excepting CBA-covered employees from HB 98's coverage, PEBA expressly prohibits treating state employees differently based on their exercise of protected rights under PEBA.

TECHNICAL ISSUES

The PELRB questions the differing carve-out language related to CBA-covered state employees in Section 2, as compared to Sections 1 and 3-4. It may be intentional and the purpose obvious to some, but we note that using different language without clear reason often breeds needless litigation related to legislative intent.

The PELRB approves of the Bill's incorporation of NMSA 10-9-3 and NMSA 10-9-4 into its definition of public employee, to ensure greater consistency between related personnel laws.

However, please note that the PELRB has a current case pending that implicates the differing definitions of "state employee" under SPO's Act or rules and the definition of "public employee" under the PEBA. *See* PEBA Sec. 4(Q) (public employee defined as regular, non-probationary employee; *see also* *CWA v. DCA and SPO*, PELRB Case No. 130-24.²

Lastly, the PELRB questions the express limitation of Section 5, in part, to "to bring job opportunities to rural areas of the state", with the concern that the entire section might be read to be similarly limited and, if so, that such a distinction might give rise to other legal disputes.

OTHER SUBSTANTIVE ISSUES

The PELRB notes that the criteria for determining a position's eligibility for remote work is arguably too broad and/or vague; however, the rule-making process may be able to cure that to some extent.

ALTERNATIVES

Unknown to the PELRB other than not enacting the Bill.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Maintenance of the status quo.

AMENDMENTS

N/A

² A motion for summary judgment was granted in part to DCA and SPO; a merits hearing was conducted on Jan. 16, 2026, which was observed by the Sponsor of HB 98, among others; and post-hearing briefs are pending, due Feb. 6, 2026.