

LFC Requester:

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**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** Jan 28 *Check all that apply:*  
**Bill Number:** HM7 Original  Correction   
 Amendment  Substitute

**Sponsor:** Roybal Caballero **Agency Name and Code Number:** State Personnel Office 378  
**Short:** State Gov't Work Without Benefits **Person Writing:** Dylan K. Lange  
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**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
None	None		

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
N/A	N/A	N/A		

(Parenthesis ( ) indicate revenue decreases)

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

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	Unknown	Unknown	Unknown			

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

##### Synopsis:

HM7 seeks to clarify recruiting and hiring practices which over the long-term, may prohibit some employees from gaining the protected status of “regular nonprobationary employee” for collective bargaining purposes and afford them benefits and other protections.

#### **FISCAL IMPLICATIONS**

HM7 does not have an appropriation for the study and report, so it is somewhat unclear about the funding for the study.

#### **SIGNIFICANT ISSUES**

HM7 directs the Legislative Council Service to contract for a study and report on the use of employment classifications and appointment practices that result in long-term work without access to standard benefits or employee protections.

The State Personnel Office administers, oversees, and maintains the state's personnel classification system. State Personnel Board rules allow for temporary positions within the classified service. *See* 1.7.2.7(C) NMAC and 1.7.2.11 NMAC. Temporary positions within the classified service potentially have access to benefits such as annual and sick leave, health benefits, and PERA. *See* New Mexico State Personnel office Interpretive Memorandum 2023-001 at <https://www.spo.state.nm.us/wp-content/uploads/2023-001-Interpretive-Memorandum-Temporary-Employees.pdf>.

As this memorial correctly states, the State Personnel Act exempts all state positions enumerated in NMSA 1978, Section 10-9-4 from the classified service, to include those of a professional or scientific nature that are temporary in nature. *See*, NMSA 1978, §10-9-4(M) As a result, the State Personnel Office has no oversight or statutory authority related to positions that are exempt from the classified service.

Considering the foregoing, it is unclear whether this memorial is addressing temporary positions within the classified service, or temporary positions exempt from the classified service pursuant to NMSA 1978, §10-9-4(M). If this memorial is addressing temporary employees in positions exempt from the classified service, the State Personnel Office does not have oversight or authority over any of these positions or employees. The State Personnel Office does not create, recruit for, or collect data for employees in positions that are exempt from the classified service. In addition, the State Personnel Board Rules do not apply to employees or positions that are exempt from the classified service.

Even so, the State Personnel Office is willing to participate with the LCS in a study that aims to improve recruitment, retention and overall satisfaction of New Mexico state employees.

## **PERFORMANCE IMPLICATIONS**

The report of the study is due to the LFC and appropriate interim legislative committees no later than November 1, 2026.

## **ADMINISTRATIVE IMPLICATIONS**

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

## **TECHNICAL ISSUES**

The Healthcare Authority and PERA are the agencies that administer state employee health and retirement benefits and should be included. GSD used to administer state employee health benefits.

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

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

## **AMENDMENTS**