

LFC Requester:

Sunny Liu

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.nmlegis.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: 1/30/2026 *Check all that apply:*
Bill Number: SB188 Original X Correction
 Amendment Substitute

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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

(Parenthesis () indicate expenditure decreases)

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:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

SB188 would provide a qualified employee in a school district or charter school with up to twelve weeks of paid parental leave. This leave would count toward the qualified employee's years of service and would have no cash value. Parental leave could extend beyond the qualified employee's contractual term of employment to their next contractual term. The paid leave would encompass the qualified employee's full salary, and while on paid leave, the employer must maintain the qualified employee's health insurance coverage.

When the qualified employee returns to work after their paid parental leave, the qualified employee must maintain the same position or be placed in an equivalent position with the same or greater pay, benefits and other terms and conditions of employment.

SB188 requires PED to fully reimburse an employer for the costs incurred in providing parental leave to qualified employees. Charter schools and school districts must create and disseminate written guidelines for applying and approving parental leave. They must submit an annual report to PED that provides demographic data on who used parental leave, a description of their communication strategies to inform employees of this benefit, and feedback they received related to employee recruitment and retention.

PED must submit an annual report to the governor, PED secretary, and the legislative finance committee.

SB188 appropriates \$7,500,000.00 in recurring funding from the general fund to PED to implement the provisions of this act.

FISCAL IMPLICATIONS

Note: As noted above, the bill appropriates \$7.5M recurring through PED for employees within the public school system; however, as pointed out under significant issues below, there is no consideration of Pre-K employees of community-based providers. If provisions are made for those employees, the fiscal impact will have to be determined.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

New Mexico administers a mixed delivery system of care for PreK, relying on both school-based and community-based providers. A mixed delivery system promotes parental choice, and flexibility recognizing that families have diverse needs and cultural preferences.

This bill would only provide paid family leave to PreK educators employed by school-based providers, creating unequal compensation for educators in community-based settings who perform

the same work. ECECD has invested significant resources to ensure that community-based PreK educators are compensated similarly to their school-based counterparts to help community-based providers retain high quality educators. These efforts include establishing pay parity programs for NM PreK and Head Start educators to align their wages with those of similarly credentialed professionals in the public school system.

Providing paid family leave only to those PreK staff in public schools would undermine these investments and create new inequities between school-based and community-based providers. It may also result in educators leaving community-based PreK programs to teach at a public or charter schools in order to access this benefit. If an exodus of high-quality community-based educators to school-based programs occurs, the state's mixed delivery system would be weakened.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

SB 188 creates a new statewide benefit that may influence workforce dynamics, potentially improving recruitment and retention for school district and charter school employees.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

School districts and charter schools would not be mandated to provide paid family leave to their employees.

AMENDMENTS