LESC bill analyses are available on the New Mexico Legislature website (www.nmlegis.gov). Bill analyses are prepared by LESC staff for standing education committees of the New Mexico Legislature. LESC does not assume any responsibility for the accuracy of these reports if they are used for other purposes.

LEGISLATIVE EDUCATION STUDY COMMITTEE BILL ANALYSIS

57th Legislature, 1st Session, 2025

Bill Number HB201	Sponsor Herrera/Baca	a/Romero, GA/Gurrola/Mirabal Moya
Tracking Number229521.1	Committee Re	ferrals HEC/HAFC
Short Title Raise School Emplo	yee Minimum Wage	
		Original Date 2/3/2025
Analyst Armatage		Last Updated 2/28/2025
·		

FOR THE LEGISLATIVE EDUCATION STUDY COMMITTEE

BILL SUMMARY

Synopsis of Bill

House Bill 201 (HB201) would increase the minimum annual salary for all full-time public school employees to \$30 thousand. HB201 would also amend the School Personnel Act to increase the minimum salaries of educational assistants to \$30 thousand. Finally, HB201 would amend state law to update the minimum hourly rate for all public school employees from \$6 to \$15.

FISCAL IMPACT

The bill does not include an appropriation.

The House Appropriations and Finance Committee Substitute for House Bills 2 and 3 (HB2/HAFCS) contains an appropriation of \$135.1 million to the state equalization guarantee (SEG) for average salary increases of 4 percent for public school personnel.

Given these proposed salary raises, LESC staff estimate the cost of requiring a \$30 thousand minimum salary for all full-time public school personnel may cost approximately \$23.6 million annually, including the estimated cost of benefits.

HB2/HAFCS does not contain an appropriation for these additional projected costs; as such, if HB201 passes, local education agencies would be required to redirect existing funding to pay for these salary increases.

SUBSTANTIVE ISSUES

Annual Salary Minimum Increases for Full-Time Public School Employees. HB201 would increase the minimum annual salary for all full-time public school employees to \$30 thousand. The School Personnel Act (Section 22-10A NMSA 1978) currently defines minimum salary requirements for school leaders, teachers, and educational assistants. Of these staffing categories,

only the minimum salaries of educational assistants would be impacted. The minimum annual salary requirement for educational assistants would increase from \$25 thousand to \$30 thousand if this proposed bill became law.

Updating Statute to Match the Current Minimum Wage Rate. State law requires a minimum wage of \$6 per hour for noncertified school personnel. This statute, enacted in 2003, has not been updated to reflect the current minimum wage of \$12 per hour in state law (as required in Section 50-4-22 NMSA 1978). The Legislature has also required school personnel be paid at a minimum rate of \$15 per hour through language included in the General Appropriation Act each year since FY23. The proposed bill would update statute to reflect this language.

Educational Assistant Vacancies. HB201 may impact full-time public school employees who work a full academic year but who earn below \$30 thousand each year, including personnel such as educational assistants, school secretaries, school bus drivers and attendants, and food service personnel. According to the 2024 New Mexico Educator Vacancy report published by New Mexico State University's Southwest Outreach Academic Research Evaluation & Policy Center, New Mexico has an estimated 356 vacancies for educational assistants in the 2024-2025 school year (SY25), 62 percent of which are for special education assistants. Educational assistants are critical to enable differentiated instruction that meets the needs of all students, provide support for students with special needs, and ensure schools can meet state class size requirements.

Other School Personnel Vacancies. While New Mexico school personnel vacancy data is limited, many schools report difficulties staffing secretarial, transportation, and food service positions. A 2023 study by LESC staff found nearly every school district in the state is experiencing bus driver shortages. Student transportation barriers contribute to chronic absenteeism, which has been found to negatively impact student outcomes. As the Public Education Department (PED) reported a 29.8 percent chronic absenteeism rate for SY24, addressing school transportation personnel shortages is critical to support student success.

Cost of Living. An <u>analysis</u> of U.S. Census Bureau data found the national average earnings of full-time educational support providers (defined as paraeducators, clerical, and custodial staff) in SY23 was \$33.8 thousand. New Mexico's current minimum salary of \$25 thousand for educational assistants is below this average. <u>According</u> to the Massachusetts Institute of Technology, a minimum living wage rate for one adult in New Mexico is, on average, \$20.10 per hour. For a family of four with two working adults, the minimum living wage is an estimated \$24.51 per hour. In New Mexico counties with a higher cost of living, minimum living wages are higher. If enacted, HB201 would bring the earnings of education support providers in New Mexico closer to national averages and a living wage.

RELATED BILLS

Relates to House Bill 156, Increase Educational Salaries, which would raise minimum teacher salaries by \$5 thousand at each teacher licensure level, to \$55 thousand for level one teachers, \$65 thousand for level two teachers, and \$75 thousand for level three teachers.

Relates to House Bill 195, School Nurse Salary Tiers and Minimums, which would create a tiered salary system for school nurses with minimum salary levels tied to the same minimum salaries for teachers of the same licensure tiers.

SOURCES OF INFORMATION

HB201 – Page 3

- LESC Files
- LFC Files
- New Mexico Regional Cooperatives (NMRECA)
- New Mexico Public Education Department (NMPED)
- New Mexico Educational Retirement Board (NMERB)

AA/mca/jkh