

LFC Requester:

Chilton, Lance

AGENCY BILL ANALYSIS - 2025 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: Jan 21, 2025

Check all that apply:

Bill Number: HB11

Original Correction Amendment Substitute

Sponsor: Chandler, Christine

Short Title: Paid Family Medical Leave Act

Agency Name

and Code

State Personnel Office 378

Number:

Person Writing: Dylan K. Lange

Phone: 505-486-7742 Email: Dylan.Lange@spo.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
None	Unknown	Unknown		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	Unknown	Additional WSD staff	Unknown	Recurring	

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: 2024 HB6

Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB11 establishes the Paid Family and Medical Leave Act (“Act”) and Medical Leave Fund to compensate eligible applicants taking leave to bond with a new child, care for a family member, prepare for and adjust to a spouse’s military deployment or take action to protect the employee or the employee’s family member from certain forms of violence. Creates a temporary advisory committee.

FISCAL IMPLICATIONS

To establish the Medical Leave Fund, there is a recommendation from the LFC to appropriate \$35M to the PFML fund.

WSD is in the best position to determine the level of additional staffing it will need to administer the requirements of the Act.

SIGNIFICANT ISSUES

The impact of this Act on the State of New Mexico as an employer is unclear.

Section 2 of the Act defines “employer” as a person that has one or more employees within the state and includes an agent of an employer and the state or a political subdivision of the state. Other definitions include medical leave, qualifying exigency leave and safe leave.

Definitions also include an “application year” which is the 12-month period beginning on the first day of the calendar week in which an application is filed and the fund’s solvency and self-sufficiency is based on a calendar year which may create some confusion.

Section 4(G) of the Act permits an employer that has adopted and operates a paid family and medical leave plan substantially similar to or greater than the leave and leave compensation offered under the Act may apply for a waiver exempting the employer and its employees from participating in the program. The employer shall apply and provide supporting documentation to the department for exemption each calendar year.

Section 4(I)(1) states that an employer granted a waiver shall notify all employees covered by the employer’s paid leave program that the employee is covered by a privately run leave program rather than a public plan and employer must provide leave and leave compensation substantially similar to or greater than that granted to employees pursuant to the Act.

PERFORMANCE IMPLICATIONS

Section 13(B) calls state agencies and departments to cooperate with the secretary to timely and efficiently provide the information and services necessary to carry out the provisions of the Act however, does not adequately specify what information or services may be necessary. This leaves agencies at a disadvantage; therefore, performance may not be able to be measured.

ADMINISTRATIVE IMPLICATIONS

The State, as an employer, would have to decide whether to apply for the waiver as established in HB11.

Potentially, it could require an amendment of the current leave system and CBAs as well as needing to reconfigure payroll systems to track payments of premiums from the employee and track the accrual of PFM leave.

WSD is in the best position to address the full administrative implications of HB11

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

There is no recognition that the State of New Mexico has its own Paid Parental Leave policy in place pursuant to Executive Orders 2019-036 and 2020-062.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS