

LFC Requester:	Sunny Liu
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov 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: January 30, 2025 *Check all that apply:*
Bill Number: HB 156 Original Correction
 Amendment Substitute

Sponsor: Joy Garratt and Mimi Stewart **Agency Name and Code:** NM Educational Retirement Board - 35200
Short Title: Increase Educational Salaries **Number:** _____
Title: _____ **Person Writing:** Jacob Maule
Phone: 505-531-6739 **Email:** Jacob.maule@erb.nm

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	0		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(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						

(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: The bill intends to increase the minimum salaries for teachers. For level one teachers, the minimum salary would increase from fifty thousand dollars (\$50,000) to fifty-five thousand dollars (\$55,000). For level two teachers, the minimum salary would increase from sixty thousand dollars (\$60,000) to sixty-five thousand dollars (\$65,000). For level three teachers, the minimum salary would increase from seventy thousand dollars (\$70,000) to seventy-five thousand dollars (\$75,000).

FISCAL IMPLICATIONS

An increase in salaries for ERB members would result in increased contributions from the members and employers. For a plan that receives contributions as a percentage of pay, salary increases impact both benefits and contributions. It is anticipated that the impact of salary changes associated with HB156 would reduce the near-term funded ratios as the increase in projected benefits is immediately recognized in the liabilities, and over the long-term the impact to the plan funding outlook would be largely neutral as additional contributions on the increased salaries increase projected assets and offset the initial increase in projected benefits.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS