

1 HOUSE BILL 264

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO STATE EMPLOYEES; PROVIDING FOR A FUTURE INCREASED  
12 MINIMUM SALARY, ANNUAL LEAVE ACCRUAL RATES AND PAID PARENTAL  
13 LEAVE; PROVIDING FOR STATE EMPLOYEE RECRUITMENT AND RETENTION;  
14 AMENDING AND ENACTING SECTIONS OF THE NMSA 1978.  
15

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 10-7-9 NMSA 1978 (being Laws 1974,  
18 Chapter 10, Section 2) is amended to read:

19 "10-7-9. MINIMUM SALARY RATE.--

20 A. Every state employee and every person regularly  
21 employed at a state educational institution named in Article  
22 12, Section 11 of the constitution of New Mexico  
23 [~~constitution~~], except student employees as defined by the  
24 [~~board of educational finance~~] higher education department,  
25 shall receive a salary at a rate equal to at least [~~four~~  
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1 ~~hundred dollars (\$400) per month]~~ fifteen dollars (\$15.00) per  
2 hour.

3 B. On July 1, 2026 and on July 1 of each successive  
4 year, the minimum salary rate shall be adjusted by multiplying  
5 the minimum salary as of July 1, 2025 by a fraction, the  
6 numerator of which is the consumer price index ending in  
7 September of the previous year and the denominator of which is  
8 the consumer price index ending September 30, 2025; provided  
9 that the minimum wage rate shall not be adjusted downward as a  
10 result of a decrease in the consumer price index.

11 C. To the extent any provision of this section  
12 conflicts with a current collective bargaining agreement  
13 negotiated pursuant to the Public Employee Bargaining Act, the  
14 provisions of this section shall not apply.

15 D. As used in this section, "consumer price index"  
16 means the consumer price index, not seasonally adjusted, for  
17 all urban consumers, United States city average for all items,  
18 or a successor index, as published by the United States  
19 department of labor for a twelve-month period ending September  
20 30 each year."

21 SECTION 2. A new section of Chapter 10, Article 7 NMSA  
22 1978 is enacted to read:

23 "[NEW MATERIAL] STATE EMPLOYEE ANNUAL LEAVE ACCRUAL  
24 RATES.--

25 A. Notwithstanding any statute or rule to the  
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1 contrary, state employees shall be eligible for annual leave  
2 accrued at rates that are competitive with other public sector  
3 employers.

4 B. Effective July 1, 2026, every state employee  
5 shall accrue annual leave at the rate of:

6 (1) four and sixty-two hundredths hours per  
7 pay period if the employee has less than three years of  
8 cumulative employment;

9 (2) five and fifty-four hundredths hours per  
10 pay period if the employee has three years or more but less  
11 than seven years of cumulative employment;

12 (3) six and forty-six hundredths hours per pay  
13 period if the employee has seven years or more but less than  
14 fourteen years of cumulative employment; and

15 (4) seven and thirty-nine hundredths hours per  
16 pay period if the employee has fourteen years or more of  
17 cumulative employment.

18 C. To the extent any provision of this section is  
19 more restrictive than a current collective bargaining agreement  
20 negotiated pursuant to the Public Employee Bargaining Act, the  
21 provisions of this section shall not apply.

22 D. As used in this section, "state employee" means  
23 an employee as defined in Section 10-9-3 NMSA 1978; provided  
24 that the coverage of service exemptions set forth in Section  
25 10-9-4 NMSA 1978 shall apply."

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1           SECTION 3. A new section of Chapter 10, Article 7 NMSA  
2 1878 is enacted to read:

3           "[NEW MATERIAL] STATE EMPLOYEE PAID PARENTAL LEAVE.--

4           A. Notwithstanding any statute or rule to the  
5 contrary, effective July 1, 2026, state employees shall be  
6 eligible for paid parental leave of at least twelve work weeks  
7 of fully paid parental leave to eligible employees following  
8 the birth or adoption or upon gaining custody of a child. If  
9 both parents, including a domestic partner of a parent, are  
10 eligible employees, each parent or partner shall receive paid  
11 parental leave.

12           B. To the extent any provision of this section  
13 conflicts with a current collective bargaining agreement  
14 negotiated pursuant to the Public Employee Bargaining Act, the  
15 provisions of this section shall not apply.

16           C. As used in this section, "state employee" means  
17 an employee as defined in Section 10-9-3 NMSA 1978; provided  
18 that the coverage of service exemptions set forth in Section  
19 10-9-4 NMSA 1978 shall apply."

20           SECTION 4. A new section of Chapter 10, Article 7 NMSA  
21 1978 is enacted to read:

22           "[NEW MATERIAL] STATE EMPLOYEE REMOTE WORK POLICY.--

23           A. Notwithstanding any statute or rule to the  
24 contrary, state agencies shall implement a remote work program  
25 to enhance recruitment and retention of a diverse workforce

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1 from rural areas of New Mexico. Additional benefits of a  
2 successful remote work program include:

3 (1) stable and reliable job opportunities for  
4 rural New Mexico residents and enhanced workforce retention and  
5 talent recruitment; and

6 (2) increased diversity, equity, inclusion and  
7 accessibility with the state as an employer.

8 B. The remote work location is an approved  
9 designated duty station other than the official employer work  
10 site in New Mexico.

11 C. Position eligibility for both hybrid and  
12 full-time remote work shall be based on applicable job  
13 functions, nature of the work performed, operational needs and  
14 a strategic analysis of the employer's needs.

15 D. Employees in remote work positions shall be  
16 current full-time residents of New Mexico.

17 E. Evaluation of remote work employees shall be  
18 based on identification and completion of applicable job  
19 functions. While remote working, an employee is expected to  
20 maintain the same hours of work and productivity, performance,  
21 communication and responsiveness standards as when working at  
22 the regular work site.

23 F. To the extent any provision of this section  
24 conflicts with a current collective bargaining agreement  
25 negotiated pursuant to the Public Employee Bargaining Act, the

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1 provisions of this section shall not apply.

2 G. As used in this section, "state employee" means  
3 an employee as defined in Section 10-9-3 NMSA 1978; provided  
4 that the coverage of service exemptions set forth in Section  
5 10-9-4 NMSA 1978 shall apply."

6 SECTION 5. Section 10-9-13 NMSA 1978 (being Laws 1961,  
7 Chapter 240, Section 9, as amended) is amended to read:

8 "10-9-13. RULES--ADOPTION--COVERAGE.--Rules promulgated  
9 by the board shall be effective when filed as required by law.  
10 The rules shall provide, among other things, for:

11 A. a classification plan for all positions in the  
12 service;

13 B. a pay plan for all positions in the service;

14 C. competitive entrance and promotion tests to  
15 determine the qualifications, fitness and ability of applicants  
16 to perform the duties of the position for which they apply.

17 Such rules shall also provide for the awarding to those  
18 applicants having a passing grade of two preference points for  
19 each year of residency in New Mexico not to exceed a total of  
20 ten preference points;

21 D. exemption from competitive entrance tests for  
22 those professional persons applying for classified positions in  
23 the service who possess recognized registration or  
24 certification by another state agency;

25 E. a period of probation of one year during which a

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1 probationer may be discharged or demoted or returned to the  
2 eligible list without benefit of hearing;

3 F. the establishment of employment lists for the  
4 certification of the highest standing candidates to the  
5 prospective employers and procedure to be followed in hiring  
6 from the lists;

7 G. hours of work, [~~holiday and~~] including allowance  
8 for part-time and alternative work schedules, holiday  
9 schedules, competitive leave accrual rates and paid parental  
10 leave;

11 H. dismissal or demotion procedure for employees in  
12 the service, including presentation of written notice stating  
13 specific reasons and time for the employees to reply thereto,  
14 in writing, and appeals to the board;

15 I. the rejection of applicants who fail to meet  
16 reasonable requirements as to age, physical condition,  
17 training, experience or moral conduct; [~~and~~]

18 J. employment of any apparently qualified applicant  
19 for a period of not more than ninety days when an emergency  
20 condition exists and there are no applicants available on an  
21 appropriate employment list as provided in Subsection F of this  
22 section. The applicant, if employed, shall be paid at the same  
23 rate as a comparable position covered by the Personnel Act; and

24 K. a plan to designate positions eligible for full-  
25 time remote work or part-time, or hybrid, remote work for an

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1 approved work site other than a designated state work site to  
2 bring job opportunities to rural areas of the state and expand  
3 employee recruitment opportunities as part of a strategic  
4 analysis of the employer's needs."

5 SECTION 6. EFFECTIVE DATE.--The effective date of the  
6 provisions of this act is July 1, 2025.

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