

HOUSE FLOOR SUBSTITUTE FOR
HOUSE COMMERCE AND ECONOMIC DEVELOPMENT
COMMITTEE SUBSTITUTE FOR
HOUSE BILL 11

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

AN ACT

RELATING TO EMPLOYMENT; AMENDING THE EARLY CHILDHOOD EDUCATION
AND CARE FUND TO ALLOW APPROPRIATIONS FOR PARENTAL LEAVE
COMPENSATION; ENACTING THE PAID PARENTAL LEAVE ACT; CREATING
THE SUPPLEMENTAL PAID PARENTAL LEAVE FUND; PROVIDING FOR THE
PAID PARENTAL LEAVE PROGRAM AND THE SUPPLEMENTAL PAID PARENTAL
LEAVE PROGRAM TO PAY AN ELIGIBLE APPLICANT A PERCENTAGE OF THE
EMPLOYEE'S WAGES TO ALLOW THE APPLICANT TO BOND WITH A NEW
CHILD; LIMITING THE TIME ALLOWED FOR PAID PARENTAL LEAVE;
EXCEPTING CERTAIN EMPLOYEES; PROVIDING FOR ADMINISTRATION OF
THE PROGRAM BY THE WORKFORCE SOLUTIONS DEPARTMENT; PREEMPTING
SIMILAR PROGRAMS; CREATING A TEMPORARY ADVISORY COMMITTEE.

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

SECTION 1. Section 9-29A-1 NMSA 1978 (being Laws 2020,
Chapter 3, Section 1, as amended) is amended to read:

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1 "9-29A-1. EARLY CHILDHOOD EDUCATION AND CARE FUND.--

2 A. The "early childhood education and care fund" is
3 created within the state treasury. The fund shall consist of
4 distributions, appropriations, gifts, grants and donations.
5 Income from investment of the fund shall be credited to the
6 fund. Money in the fund shall be expended only as provided in
7 this section.

8 B. The state investment officer, subject to the
9 approval of the state investment council, shall invest money in
10 the early childhood education and care fund:

11 (1) in accordance with the prudent investor
12 rule set forth in the Uniform Prudent Investor Act; and

13 (2) in consultation with the state treasurer.

14 C. The state investment officer shall report
15 quarterly to the legislative finance committee and the state
16 investment council on the investments made pursuant to this
17 section. Annually, a report shall be submitted no later than
18 October 1 each year to the legislative finance committee, the
19 revenue stabilization and tax policy committee and any other
20 appropriate interim committees.

21 D. On July 1 of each year, a distribution shall be
22 made from the early childhood education and care fund to the
23 early childhood education and care program fund in an amount
24 equal to the greater of five percent of the average of the
25 year-end market values of the fund for the immediately

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1 preceding three calendar years or two hundred fifty million
2 dollars (\$250,000,000).

3 E. In addition to the distribution pursuant to
4 Subsection D of this section and appropriations pursuant to
5 Subsection F of this section, money in the early childhood
6 education and care fund may be expended in the event that
7 general fund balances, including all authorized revenues and
8 transfers to the general fund and balances in the general fund
9 operating reserve, the appropriation contingency fund, the
10 tobacco settlement permanent fund, the state-support reserve
11 fund and the tax stabilization reserve, will not meet the level
12 of appropriations authorized from the general fund for a fiscal
13 year. In that event, to avoid an unconstitutional deficit, the
14 legislature may appropriate from the early childhood education
15 and care fund to the general fund only in the amount necessary
16 to meet general fund appropriations for that fiscal year and
17 only if the legislature has authorized transfers from the
18 appropriation contingency fund, the general fund operating
19 reserve, the tax stabilization reserve and the tobacco
20 settlement permanent fund that exhaust those fund balances.

21 F. In addition to the distribution pursuant to
22 Subsection D of this section and appropriations pursuant to
23 Subsection E of this section, the legislature may appropriate
24 money from the early childhood education and care fund to the
25 workforce solutions department for the purposes of paying leave

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1 compensation to employees and self-employed individuals covered
2 by the Paid Parental Leave Act."

3 SECTION 2. [NEW MATERIAL] SHORT TITLE.--Sections 2
4 through 14 of this act may be cited as the "Paid Parental Leave
5 Act".

6 SECTION 3. [NEW MATERIAL] DEFINITIONS.--As used in the
7 Paid Parental Leave Act:

8 A. "applicant" means an employee or self-employed
9 individual who is applying for leave compensation or
10 supplemental leave compensation pursuant to the Paid Parental
11 Leave Act;

12 B. "application year" means the twelve-month period
13 beginning on the first day of the calendar week in which an
14 employee or self-employed individual files an application for
15 parental leave compensation;

16 C. "claim for leave" means an application for leave
17 compensation or supplemental leave compensation that an
18 applicant makes to the department pursuant to the Paid Parental
19 Leave Act in accordance with department rules;

20 D. "department" means the workforce solutions
21 department, the secretary or an employee of the department
22 exercising authority lawfully delegated to that employee by the
23 secretary;

24 E. "employee" means a person working within the
25 state who performs a service for wages or other remuneration

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1 under a contract of hire, written or oral, express or implied,
2 and includes a person employed by the state or a political
3 subdivision of the state. "Employee" does not mean an employee
4 of an employer subject to the provisions of Title II of the
5 federal Railway Labor Act or an employee as defined in the
6 federal Railroad Unemployment Insurance Act;

7 F. "employer" means a person that has one or more
8 employees within the state and includes an agent of an employer
9 and the state or a political subdivision of the state;

10 G. "fund" means the supplemental paid parental
11 leave fund;

12 H. "Indian tribe" means a federally recognized
13 Indian nation, tribe or pueblo, wholly or partially located in
14 New Mexico, a governmental unit, subdivision, agency,
15 department or instrumentality thereof or a business enterprise
16 wholly owned by such an Indian nation, tribe or pueblo;

17 I. "leave compensation" means income that the
18 department pays an applicant who takes parental leave;

19 J. "parental leave" means leave for which an
20 applicant can apply for leave compensation pursuant to the Paid
21 Parental Leave Act and that is granted to the applicant to
22 allow the applicant to bond with a child of the applicant
23 within twelve months of the birth or adoption of a child or
24 placement of a foster child with the applicant if the applicant
25 is a first time foster parent;

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1 K. "secretary" means the secretary of workforce
2 solutions;

3 L. "supplemental leave compensation" means income
4 the department pays to an applicant who has opted into the
5 supplemental paid parental leave program;

6 M. "supplemental parental leave" means parental
7 leave that an employee may receive after opting into the
8 supplemental paid parental leave program; and

9 N. "wages" means all remuneration for services,
10 including commissions, bonuses or unpaid loans to employees and
11 the cash value of all remuneration in any medium other than
12 cash.

13 SECTION 4. [NEW MATERIAL] SUPPLEMENTAL PAID PARENTAL
14 LEAVE FUND--CREATION.--

15 A. The "supplemental paid parental leave fund" is
16 created in the state treasury and shall be administered by the
17 department. The fund shall be held for the benefit of the
18 employees and self-employed individuals who opt in to paying
19 into the fund and shall consist of all revenue, including any
20 fees collected pursuant to the Paid Parental Leave Act in
21 accordance with department rules. Money in the fund shall be
22 invested by the state investment officer. Income from
23 investment of the fund shall be credited to the fund.

24 B. Money in the fund is appropriated to the
25 department to distribute supplemental leave compensation

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1 pursuant to the Paid Parental Leave Act and to cover the costs
 2 of administration and outreach for the paid parental leave
 3 program pursuant to that act.

4 C. Money shall be disbursed from the fund only on
 5 warrant issued by the department of finance and administration
 6 pursuant to vouchers signed by the secretary or the secretary's
 7 authorized representative. Any unexpended or unencumbered
 8 balance remaining at the end of a fiscal year shall not revert
 9 or be transferred to any other fund.

10 SECTION 5. [NEW MATERIAL] APPLICABILITY--PAID PARENTAL
 11 LEAVE PROGRAM--SUPPLEMENTAL PAID PARENTAL LEAVE PROGRAM--
 12 EMPLOYEE CONTRIBUTIONS.--

13 A. The Paid Parental Leave Act applies to:

14 (1) all public and private employees who are
 15 in the state of New Mexico, except those employees who are
 16 employed by the United States;

17 (2) the employers of employees as described in
 18 Paragraph (1) of this subsection, whether or not the employer
 19 is physically located in the state;

20 (3) self-employed individuals in the state of
 21 New Mexico; and

22 (4) Indian tribes that elect to be covered, or
 23 to terminate coverage, in the program for their employees.

24 B. The department shall administer a paid parental
 25 leave program and a supplemental paid parental leave program to

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1 provide leave compensation and supplemental leave compensation
2 to employees and self employed individuals. Beginning January
3 1, 2028, eligible employees and self-employed individuals shall
4 be annually entitled to up to:

5 (1) six weeks of leave compensation; and

6 (2) three weeks of supplemental leave
7 compensation paid from the supplemental paid parental leave
8 fund if the employee opts into the supplemental paid parental
9 leave program.

10 C. An employee or self-employed individual shall
11 automatically be enrolled in the supplemental paid parental
12 leave program by contributing to the fund pursuant to
13 Subsections D and E of this section.

14 D. Beginning January 1, 2027 and for each calendar
15 quarter thereafter, there is assessed against each employee
16 that wishes to opt in to the supplemental paid parental leave
17 program one-half percent of the employee's wages up to the
18 earnings cap established by the federal social security
19 administration program, pursuant to the Federal Insurance
20 Contributions Act. An employee shall not be required to make
21 any contributions to the fund from leave compensation.

22 E. Beginning January 1, 2027 and for each calendar
23 quarter thereafter, there is assessed against each self-
24 employed individual as described in Paragraph (3) of Subsection
25 A of this section that wishes to opt in to the supplemental

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1 paid parental leave program one-half percent of the
2 individual's net income as designated by the self-employed
3 individual.

4 F. The contributions of employees shall be remitted
5 by the employer following the end of each quarter for which the
6 contributions are deducted and on a date determined by the
7 secretary.

8 G. The contributions of self-employed individuals
9 shall be remitted by the individual following each end of the
10 quarter for which the contributions are deducted and on a date
11 determined by the secretary. A self-employed individual shall
12 not be required to make contributions to the fund from leave
13 compensation.

14 H. Nothing in this section shall be construed to
15 prohibit an employer from providing additional leave
16 compensation or extended length of leave to employees receiving
17 compensation from the department.

18 SECTION 6. [NEW MATERIAL] ELIGIBILITY--LEAVE COMPENSATION
19 AND SUPPLEMENTAL LEAVE COMPENSATION CALCULATION--DOCUMENTATION
20 REQUIRED--NOTICE OF DETERMINATION.--

21 A. Beginning January 1, 2028, the department shall
22 provide leave compensation to an eligible applicant who takes
23 leave after the applicant, in accordance with the provisions of
24 the Paid Parental Leave Act and department rule, has filed a
25 claim for leave approved by the department.

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1 B. Beginning January 1, 2028, the department shall
2 provide supplemental leave compensation to an eligible
3 applicant who takes leave after the applicant, in accordance
4 with the provisions of the Paid Parental Leave Act and
5 department rules, has:

6 (1) filed a claim for leave approved by the
7 department;

8 (2) received six weeks of leave compensation;
9 and

10 (3) contributed to the fund for at least six
11 months during the twelve-month period prior to submitting an
12 application.

13 C. An applicant shall be eligible for a maximum of
14 three weeks of supplemental parental leave.

15 D. An applicant shall be ineligible to receive
16 leave compensation or supplemental leave compensation if:

17 (1) the applicant willfully or knowingly files
18 a fraudulent claim for leave or has filed a fraudulent claim
19 for leave within the previous three years;

20 (2) the applicant is receiving unemployment
21 insurance benefits during the period for which the claim for
22 leave is filed;

23 (3) during leave, the applicant does not
24 provide the care or use leave as related to the need for leave
25 described in the applicant's application for leave;

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1 (4) the leave compensation would duplicate the
 2 amount the applicant is receiving or has received in temporary
 3 total disability benefits from a workers' compensation claim
 4 for the same time period; or

5 (5) the leave compensation duplicates what the
 6 applicant is earning or has earned in wages for the same time
 7 period.

8 E. The department shall issue leave compensation
 9 and supplemental leave compensation to an eligible applicant
 10 whose claim has been approved as follows:

11 (1) the calculation of weekly leave
 12 compensation and supplemental leave compensation shall be based
 13 on the employee's average weekly wages during the twelve months
 14 immediately preceding the date of the claim for leave. For the
 15 purposes of this paragraph, the "employee's average weekly
 16 wages" means an amount calculated by the department by dividing
 17 the total wages earned by an eligible employee during the
 18 previous twelve months by the number of weeks worked during the
 19 previous twelve months. If the employee worked fewer than
 20 twelve months, then weekly leave compensation and supplemental
 21 leave compensation shall be based on the employee's average
 22 weekly wages during the weeks the employee worked;

23 (2) an eligible employee's weekly leave
 24 compensation or supplemental leave compensation shall equal one
 25 hundred percent of the compensation that would be paid to a

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1 non-tipped, state-minimum-wage-earning employee, pursuant to
2 Section 50-4-22 NMSA 1978, working the same number of hours per
3 week as the employee, plus sixty-seven percent of the
4 employee's average weekly wages greater than the non-tipped,
5 state minimum wage compensation; and

6 (3) the maximum amount of weekly leave
7 compensation or supplemental leave compensation shall be no
8 more than the annual mean wage of all occupations in New Mexico
9 as calculated by the United States bureau of labor statistics
10 state occupational employment and wage estimates for the most
11 recent year available divided by fifty-two.

12 F. The department shall issue leave compensation or
13 supplemental leave compensation to self-employed individuals as
14 follows:

15 (1) a self-employed individual shall determine
16 the annual net income to be used by the department when the
17 self-employed individual enrolls in the paid parental leave
18 program. A self-employed individual may adjust the
19 individual's annual net income one time per year on the
20 anniversary of the individual's enrollment;

21 (2) the calculation of weekly leave
22 compensation and supplemental leave compensation shall be based
23 on the self-employed individual's designated annual net income;

24 (3) a self-employed individual's weekly leave
25 compensation or supplemental leave compensation shall equal one

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1 hundred percent of the compensation that would be paid to a
 2 state-minimum-wage-earning employee, pursuant to Section
 3 50-4-22 NMSA 1978, working full time each week, plus
 4 sixty-seven percent of the self-employed individual's net
 5 income per week greater than the state minimum wage
 6 compensation; and

7 (4) the maximum amount of weekly leave
 8 compensation or supplemental leave compensation shall be no
 9 more than the annual mean wage of all occupations in New Mexico
 10 as calculated by the United States bureau of labor statistics
 11 state occupational employment and wage estimates for the most
 12 recent year available divided by fifty-two.

13 G. When an applicant or an authorized
 14 representative submits a claim for leave with the department,
 15 the department shall verify:

16 (1) if the applicant is an employee, a record
 17 of total wages, the total number of weeks worked and the
 18 average number of hours worked per week during the previous
 19 twelve months in the employment from which the applicant seeks
 20 leave; or

21 (2) if the applicant is a self-employed
 22 individual, documentation that the individual's business
 23 operated and earned net income from self-employment during the
 24 previous twelve months.

25 H. The department shall notify the employer and

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1 applicant in writing within twenty business days of
2 application:

3 (1) if approved, and shall notify the
4 applicant of the amount of leave compensation or supplemental
5 leave compensation that the applicant is eligible to receive
6 biweekly; provided that an eligible applicant shall begin
7 receiving leave compensation within ten business days of the
8 date of submission of a properly completed application or ten
9 business days after approved leave begins;

10 (2) if denied, and shall notify the applicant
11 of the grounds for denying the applicant's application for
12 eligibility and of the applicant's right to appeal; and

13 (3) if further information or supporting
14 documentation is required to determine the applicant's
15 eligibility for paid leave or the amount of leave compensation;
16 provided that when the department receives sufficient
17 information or supporting documentation from the applicant to
18 make an eligibility determination, the department shall adhere
19 to the notification provision of this subsection.

20 I. Every individual filing a new claim for leave
21 shall, at the time of filing such claim, be advised that:

22 (1) leave compensation and supplemental leave
23 compensation may be subject to federal and state income taxes;

24 (2) requirements exist pertaining to estimated
25 tax payments;

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1 (3) the individual may elect to have federal
2 income tax deducted and withheld from the individual's leave
3 compensation or supplemental leave compensation payments at the
4 amount specified in the federal Internal Revenue Code of 1986;
5 and

6 (4) the individual is permitted to change a
7 previously elected withholding status one time during each
8 calendar year.

9 J. Amounts deducted and withheld from leave
10 compensation and supplemental leave compensation shall remain
11 in the fund until transferred to the federal internal revenue
12 service.

13 K. The department shall follow all state and
14 federal laws, rules and procedures pertaining to the deducting
15 and withholding of income tax.

16 SECTION 7. [NEW MATERIAL] CLAIMS FOR LEAVE--
17 DOCUMENTATION--CONFIDENTIALITY.--

18 A. The department shall require an applicant who
19 seeks leave compensation or supplemental leave compensation to
20 provide, in accordance with department rules, evidence of the
21 birth or adoption of a child or placement of a foster child
22 with the applicant.

23 B. Information contained in an applicant's files
24 and records pertaining to the Paid Parental Leave Act are
25 confidential and not open to public inspection, other than to

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1 department employees or the employees of an approved privately
2 operated paid leave program or plan in the performance of their
3 official duties. However, the applicant or an authorized
4 representative may review the records or receive specific
5 information from the records upon the presentation of the
6 applicant's signed authorization.

7 C. Employee information acquired by a private
8 employer pursuant to the Paid Parental Leave Act shall be kept
9 confidential by the employer; provided that confidential
10 records may be used by department employees or the employees of
11 an approved privately operated paid leave program or plan in
12 the performance of their duties.

13 SECTION 8. [NEW MATERIAL] EMPLOYEE NOTICE TO EMPLOYER--
14 REDUCTION OF OTHER LEAVE PROHIBITED.--

15 A. Beginning January 1, 2028, an employer shall
16 allow an employee to take up to a combined total of nine weeks
17 of parental leave and supplemental parental leave during any
18 application year.

19 B. An employee shall:

20 (1) make a reasonable effort to schedule leave
21 so as not to unduly disrupt the operations of the employer;

22 (2) provide the employer with prior notice of
23 the schedule on which the employee will be taking leave twenty
24 days before use or as soon as practicable; and

25 (3) provide the employer with documentation of

1 the approved claim for leave pursuant to department rules.

2 C. The employer has the right to appeal a
 3 determination to the department within fifteen calendar days
 4 after receipt of documentation of the approved claim for leave.

5 D. Leave taken pursuant to the Paid Parental Leave
 6 Act shall not result in a reduction of the total amount of
 7 leave to which an employee is otherwise entitled pursuant to
 8 contract, policy, collective bargaining agreement or other law
 9 or rule in excess of the amount of leave actually taken
 10 pursuant to the Paid Parental Leave Act; provided that an
 11 employer subject to the federal Family and Medical Leave Act of
 12 1993 may require an employee who takes leave and receives leave
 13 compensation or supplemental leave compensation pursuant to the
 14 Paid Parental Leave Act that also qualifies for leave pursuant
 15 to the federal Parental Leave Act of 1993 to take leave
 16 concurrently. An employer shall not require an employee to
 17 exhaust any other leave entitlement prior to granting leave
 18 pursuant to the Paid Parental Leave Act.

19 E. An employer shall post and keep posted in a
 20 conspicuous place upon its premises a notice that informs
 21 employees of the right to take leave, the ability to opt in to
 22 the supplemental paid parental leave program and the major
 23 provisions of the Paid Parental Leave Act.

24 SECTION 9. [NEW MATERIAL] RETURN TO EMPLOYMENT.--

25 A. A self-employed individual shall notify the

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1 department within ten business days of the self-employed
2 individual's return to work.

3 B. Upon an employee's return after leave, an
4 employer shall notify the department within ten business days
5 that the employee has returned to work.

6 C. An employer that has employed an employee for
7 one hundred eighty days or more prior to the commencement of an
8 employee's leave shall:

9 (1) restore the employee to the position held
10 by the employee when the leave was commenced; or

11 (2) place the employee in a position for which
12 employee benefits, wages and other terms and conditions of
13 employment are equivalent to or greater than those provided in
14 the position from which the employee took leave.

15 D. Nothing in this section shall be construed to
16 entitle a restored employee to:

17 (1) the accrual of seniority or employment
18 benefits during the period the employee is using leave; or

19 (2) the right to any benefit or position of
20 employment other than the right the employee would have been
21 entitled to had the employee not taken the leave.

22 E. Any yearly certification or training that an
23 employer requires as a condition of employment may remain in
24 place and applicable to any employee taking leave; provided
25 that nothing in this subsection shall supersede another

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1 provision of law or a collective bargaining agreement that
2 governs an employee's return to work after leave.

3 F. Nothing in this section shall prohibit an
4 employer from requiring an employee who uses leave to report
5 periodically to the employer on the status and intention of the
6 employee to return to work.

7 G. An employer shall pay its share of health
8 insurance premiums and maintain an employee's health coverage
9 while the employee is on leave pursuant to the Paid Parental
10 Leave Act under terms that the employee would have received if
11 the employee had not taken leave. The employee on leave shall
12 pay the same share of premium payments as the employee would
13 have paid if the employee were not on leave.

14 SECTION 10. [NEW MATERIAL] INTERFERENCE AND RETALIATION
15 PROHIBITED.--

16 A. It is unlawful for an employer or any other
17 person to interfere with, restrain or deny the exercise of, or
18 the attempt to exercise, any right protected pursuant to the
19 Paid Parental Leave Act.

20 B. An employer shall timely provide to the employee
21 documents required to apply for leave.

22 C. An employer, employee organization or other
23 person shall not take retaliatory personnel action or otherwise
24 discriminate against a person because the person exercised
25 rights protected pursuant to the Paid Parental Leave Act. Such

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1 rights include:

2 (1) requesting, filing for, applying for or
3 exercising any right to take leave as provided for pursuant to
4 the Paid Parental Leave Act;

5 (2) communicating to the employer or any other
6 person or entity an intent to file a claim, a complaint with
7 the department or courts or an appeal;

8 (3) testifying, planning to testify or
9 assisting at any time in any investigation, hearing or
10 proceeding pursuant to the Paid Parental Leave Act;

11 (4) informing any person about an employer's
12 alleged violation of the Paid Parental Leave Act; and

13 (5) informing any person of the person's
14 rights pursuant to the Paid Parental Leave Act.

15 D. It is unlawful for an employer's absence policy
16 to count leave taken pursuant to the Paid Parental Leave Act as
17 an absence that may lead to or result in discipline, discharge,
18 demotion, suspension or any other adverse action.

19 E. The protections provided in this section shall
20 apply to any person who reasonably but mistakenly alleges
21 violations of the Paid Parental Leave Act.

22 F. An employer that is found by a hearing officer
23 or court of competent jurisdiction to have discharged a worker
24 in violation of this section shall rehire that employee;
25 provided that the worker agrees to be rehired.

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1 SECTION 11. [NEW MATERIAL] ADVERSE DETERMINATIONS--APPEAL
2 PROCEDURES--ADMINISTRATIVE ACTIONS--DEPARTMENTAL DISCIPLINARY
3 POWERS.--

4 A. An applicant or an authorized representative
5 named in an application for leave may appeal an adverse
6 determination of that application to the department as follows:

7 (1) the aggrieved party shall:

8 (a) file an appeal in writing with the
9 department within fifteen business days of receiving notice of
10 the adverse decision;

11 (b) set forth the reasons for appeal;

12 and

13 (c) provide notice to all parties that
14 an appeal has been filed; and

15 (2) the secretary or authorized representative
16 may:

17 (a) hold a hearing within ten business
18 days after an appeal is properly made, due notice is given to
19 the parties in dispute and mediation is refused by any party;

20 (b) develop a record of the proceedings;

21 and

22 (c) rule on the appeal within twenty
23 business days after the completion of the hearing and issue a
24 final decision in accordance with Subsection B of Section
25 39-3-1.1 NMSA 1978.

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1 B. An aggrieved party, including an employee or
2 former employee, or the department on its own motion may bring
3 an administrative action for an alleged violation of the Paid
4 Parental Leave Act under a public or privately run leave
5 program as follows:

6 (1) the aggrieved party or the department
7 shall:

8 (a) file a complaint alleging a
9 violation of the Paid Parental Leave Act in writing with the
10 department within thirty business days of becoming aware of the
11 alleged violation;

12 (b) set forth the grounds of the
13 complaint; and

14 (c) provide notice to parties to the
15 alleged violation that a complaint has been filed; and

16 (2) the secretary or authorized representative
17 shall:

18 (a) upon receipt of a complaint alleging
19 a violation, first allow for mediation upon agreement by all
20 parties;

21 (b) hold a hearing within ten business
22 days after a complaint is properly made, due notice is given to
23 the parties in dispute and mediation is refused by any party;

24 (c) develop a record of the proceedings;

25 (d) have power to take disciplinary

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1 action, including investigating, fining, censuring or
 2 reprimanding a party or suspending or revoking a waiver issued
 3 pursuant to the Paid Parental Leave Act; and

4 (e) rule on a complaint within twenty
 5 business days after the completion of the hearing and issue a
 6 final decision in accordance with Subsection B of Section
 7 39-3-1.1 NMSA 1978.

8 C. A party may appeal a final decision made by the
 9 department pursuant to the provisions of this section to the
 10 district court pursuant to Section 39-3-1.1 NMSA 1978.

11 D. The department may appear in its own name in
 12 district court in actions for injunctive relief to prevent any
 13 person or entity from violating the provisions of the Paid
 14 Parental Leave Act or rules promulgated by the department.

15 SECTION 12. [NEW MATERIAL] PREEMPTION.--

16 A. A city, county, home rule municipality or other
 17 political subdivision of the state shall not adopt or continue
 18 in effect any ordinance, rule, regulation, resolution or
 19 statute that establishes a program of rights and benefits as
 20 set out in the Paid Parental Leave Act, excluding a paid sick
 21 leave or paid time off ordinance, policy or resolution.

22 B. Subject to the requirements of the Paid Parental
 23 Leave Act, the provisions of Subsection A of this section shall
 24 not prevent a city, county, home rule municipality or other
 25 political subdivision of the state from establishing any leave

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1 policies for its employees.

2 SECTION 13. [NEW MATERIAL] COLLECTIVE BARGAINING
3 AGREEMENTS UNAFFECTED.--Nothing in the Paid Parental Leave Act
4 shall be construed to diminish the rights, privileges or
5 remedies of any employee under any collective bargaining
6 agreement.

7 SECTION 14. [NEW MATERIAL] DEPARTMENT TO PROMULGATE
8 RULES--AGENCIES AND DEPARTMENTS TO COOPERATE.--

9 A. By July 1, 2026, the department shall adopt
10 initial rules to implement the Paid Parental Leave Act.

11 B. State agencies and departments shall cooperate
12 with the secretary to timely and efficiently provide the
13 information and services necessary to carry out the provisions
14 of the Paid Parental Leave Act.

15 SECTION 15. TEMPORARY PROVISION--PAID PARENTAL LEAVE
16 IMPLEMENTATION ADVISORY COMMITTEE--CREATED--PURPOSE--
17 MEMBERS.--

18 A. The "paid parental leave implementation advisory
19 committee" is created in the workforce solutions department.
20 The advisory committee consists of eight members appointed by
21 the secretary of workforce solutions. Members of the advisory
22 committee include:

- 23 (1) four representatives of employers; and
24 (2) four representatives of employees.

25 B. The paid parental leave implementation advisory

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1 committee shall provide input regarding best practices for the
 2 efficient and timely development, implementation and
 3 promulgation of rules and educational materials to carry out
 4 the provisions of the Paid Parental Leave Act.

5 C. The secretary of workforce solutions shall
 6 consult with the paid parental leave implementation advisory
 7 committee at least quarterly as rules are developed to
 8 implement a program pursuant to the Paid Parental Leave Act.

9 D. Members of the paid parental leave
 10 implementation advisory committee are not entitled to per diem
 11 and mileage expenses. The workforce solutions department
 12 shall provide staff for the committee.

13 E. The paid parental leave implementation advisory
 14 committee shall function from the date of its appointment,
 15 which shall be no later than October 1, 2025, until January 1,
 16 2027.

underscored material = new
 [bracketed material] = delete