

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill No:** HB 628

**48th Legislature, 2nd Session, 2008**

**Short Title:** Study NM College Faculty Salaries

**Sponsor(s):** Representative Thomas A. García

**Analyst:** Kathleen Forrer

**Date:** February 1, 2008

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**Bill Summary:**

HB 628:

- appropriates funds to the Higher Education Department (HED) to study full-time faculty salaries at New Mexico’s public postsecondary institutions;
- specifies that the report should include:
  - information regarding current compensation practices and rates;
  - a comparison of compensation practices and rates for full-time faculty between New Mexico public postsecondary educational institutions and peer groups; and
  - a comparison of compensation practices and rates for full-time faculty between New Mexico public postsecondary educational institutions and full-time teachers at New Mexico public secondary schools; and
- directs HED to submit the report to the Governor and to the Legislature prior to December 31, 2008.

**Fiscal Impact:**

\$75,000 is appropriated from the General Fund to HED for expenditure in FY 09 to study full-time faculty salaries at New Mexico’s public postsecondary institutions. Any unexpended or unencumbered balance remaining at the end of FY 09 reverts to the General Fund.

**Issues:**

Since at least 2001, when the Legislature passed HJM 73, *Study Higher Education Staffing Patterns*, the Legislature has expressed concern regarding the staffing and compensation practices of New Mexico’s public postsecondary institutions and their potential impact on the education of students.

In October 2006, HED provided the LESC with a preliminary report entitled *Faculty Study: New Mexico Higher Education Institutions Compared with Regional Peers: Gap Analysis and Recommended Corrective Salary Increases*. In it, HED compared the salaries by rank of full-time New Mexico instructional university staff with those of their peers in selected postsecondary institutions in Arizona, Oklahoma, and Texas. Based on the following analysis, HED estimated that “correcting the current difference between salaries at New Mexico institutions and their peer averages” would require, if phased in over four years, an estimated \$28.8 million in additional funding:

	Universities – Research					
	Professor	Associate	Assistant	Instructor	Lecturer	No Rank
NM Average	\$101,194	\$77,664	\$67,318	\$53,117	\$58,094	
Peer Average	\$125,646	\$85,576	\$76,664	\$46,492	\$55,605	
Difference	(\$24,452)	(\$7,912)	(\$9,346)	\$6,625	\$2,489	
	Universities – Comprehensive					
	Professor	Associate	Assistant	Instructor	Lecturer	No Rank
NM Average	\$69,900	\$61,057	\$58,001	\$46,583		\$54,676
Peer Average	\$87,162	\$72,781	\$62,087	\$45,971	\$47,321	\$59,074
Difference	(\$17,262)	(\$11,724)	(\$4,086)	\$612		(\$4,398)

With regard to New Mexico community colleges, HED’s report compared both branch and community college salaries to the New Mexico weighted average salary of \$55,136 for these same institutions: the institutional average salaries ranged from \$8,769 above the state average to \$10,462 below.

The report concluded by noting that the following additional steps would be required to provide a final, more comprehensive report, which has never been issued:

- compiling information regarding ethnicity and gender;
- completing salary comparisons for part-time faculty;
- gathering information on recruitment and retention efforts for high-quality faculty at each institution; and
- determining with decision makers what additional information might be needed.

In 2007, the Legislature amended the statute requiring HED to provide an annual accountability report to the Governor and to the Legislature to include the following additional information regarding faculty compensation and benefits practices at New Mexico’s public postsecondary institutions:

- the number and percentage of part-time and full-time faculty;
- the per-credit-hour pay rate for full-time instructors or lecturers and for part-time faculty;
- the percent salary increase for fulltime and for part-time faculty; and
- a description of the institution's policy for offering benefits to full-time faculty and to part-time faculty.

A temporary provision in the legislation directed HED to work with the public postsecondary institutions “to establish a pay schedule for part-time faculty to be subject to legislative appropriation.” In response, in December 2007, HED issued *The Report on Part-Time Faculty Compensation and Salary Survey: House Bill 384*. Among the findings in the report are the following:

- there are more part-time faculty than full-time instructors;
- part-time and full-time instructors have similar educational attainment levels;
- full-time instructors are compensated for earning higher degrees during their employment more often than are part-time faculty;
- there is a high turn-over rate among part-time faculty;
- nearly half of the institutions rely more heavily on part-time faculty to offer courses than full-time instructors;

- in general, at four-year institutions full-time non-tenure-track instructors earn “slightly less than double” the per-credit hour salaries of part-time faculty;
- in general, the gap between full-time non-tenure-track instructors and part-time faculty per-credit hour pay rates is smaller at two-year institutions than at four-year institutions; and
- all institutions awarded annual pay increases to their full-time non-tenure-track instructors; however, increases for part-time faculty were more sporadic.

The report concludes that “equalization of pay, benefits, and resources for part-time faculty would require a substantial financial investment.” Noting that some institutions have already developed policies to equalize compensation between full-time instructors and part-time faculty, the report suggests that a thorough cost study be conducted “prior to the execution of any legislation directing institutions in the implementation of similar equalizing policies.”

**Related Bill:**

SB 77 *WNMU Nursing Program* (Appropriates funds “to adjust nursing faculty salaries in order to retain qualified staff.”)