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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
56th Legislature, 1st Session, 2023

Bill Number	<u>HB127</u>	Sponsor	<u>Herrera/Baca/Madrid/Sariñana/Trujillo</u>
Tracking Number	<u>.223518.1</u>	Committee Referrals	<u>HCEDC/HEC</u>
Short Title	<u>Education Assistant Salary Increase</u>		
Analyst	<u>Hoxie</u>	Original Date	<u>1/27/2023</u>
		Last Updated	<u>2/20/2023</u>

BILL SUMMARY

Synopsis of Bill

The bill amends the School Personnel Act to increase the statutory minimum licensed educational assistant salaries to \$25 thousand annually effective for the 2023-2024 school year. Under current law, the statutory minimum licensed educational assistant salary is \$12 thousand annually.

FISCAL IMPACT

The bill does not contain an appropriation.

The House Appropriations and Finance Committee Substitute for House Bills 2 and 3 (HB2/HAFCS) includes a \$14.5 million general fund appropriation to the state equalization guarantee distribution contingent on enactment of legislation similar to HB127.

Funding for salary increases is distributed through the state equalization guarantee, the public school funding formula in New Mexico and is based on student and school characteristics, which will lead to differences in per-teacher allocations of funds.

Currently, the statutory minimum annual salary for licensed educational assistants is \$12 thousand. There are approximately 5,400 educational assistants working in public schools in New Mexico. While educational assistant salaries vary widely across the state, 40th day count data from the Public Education Department (PED) shows the average 1 FTE equivalent salary for an educational assistant is \$22 thousand annually; however, 28 percent of educational assistants earn less than \$20 thousand. This bill would raise the salaries of approximately 72 percent of educational assistants in the state.

SUBSTANTIVE ISSUES

Licensed Educational Assistants. All persons who perform services as educational assistants must be licensed by PED (three levels of licensure exist). In addition, they must be at least 18

years of age and have a high school diploma or its equivalent. Educational assistants work alongside duly licensed staff within schools. PED does not collect data on educational assistant contract hours per day or contract days per year; however, salary guides are publically available for some school districts. For example, Española Public Schools’ educational assistant salary schedules are based on a work schedule of 184 days a year and seven-hour days, whereas Albuquerque Public Schools’ (APS) are based on a work schedule of 183 days and 6.5 hours per day.

Educational Assistant Shortages. According to the [2022 New Mexico Educator Vacancy Report](#), there were 446 educational assistant vacancies as of September 2022, representing 33.2 percent of all educator vacancies at that time. This is a decrease of 10 vacant educational assistant positions over the 2021-2022 school year.

Increasing Employer Insurance Contributions. The New Mexico Public School Insurance Authority (NMPSIA) provides health insurance benefits to all public school employees except those in APS. Under current law, public school employees making less than \$25 thousand who receive health insurance through NMPSIA contribute 30 percent to 35 percent to the total health insurance cost. An increase in minimum educational assistant salaries that raise statutorily required minimums to \$25 thousand could potentially decrease take home pay under current insurance contributions. For example, if an educational assistant’s annual salary is \$19 thousand for FY23 and that salary is raised to \$25 thousand in FY24, the educational assistant would contribute an additional 10 percent towards health insurance premiums.

NMSPIA Share of Health Insurance Premiums

Salary Range	Employer Share
Less than \$15,000	80%
\$15,000 to \$19,999	70%
\$20,000 to \$24,999	65%
\$25,000 or more	60%

Source: LESC

ADMINISTRATIVE IMPLICATIONS

School districts and charter schools would be required to pay their educational assistants a minimum salary of \$25 thousand.

Following sizeable minimum salary increases for FY23, many school district and charter school stakeholders reported significant compaction in their salary schedules—a phenomenon where employees with more experience have only a slightly higher salary than those employees with less experience. Raising the minimum salary of educational assistants could lead to issues of compaction.

RELATED BILLS

HB127 relates to House Bill 36 and House Bill 102, which both raise health insurance employer contributions for NMSPIA covered employees.

SOURCES OF INFORMATION

- LESC Files
- New Mexico Public School Insurance Authority

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