



LFC Requester: Liu

**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2025 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 01/29 /25

Bill No: HB156

Agency Name and Code: PED - 924

Sponsor: Garratt/Steward

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Short Title: INCREASE EDUCATIONAL SALARIES

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SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
None	None	N/A	NFA

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
None	None	None	N/A	NFA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	4,500.0 – 10,000.0	Undetermined	Undetermined	Undetermined	Nonrecurring	GF

Duplicates/Relates to Appropriation in the General Appropriation Act: The FY26 PED budget recommendations include \$101.4 million to school districts and charter schools for a three-percent increase in salaries for all school personnel. Cost projections for House Bill 156 (HB156) are conditional upon the proposed salary raise.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 156 (HB156) would amend the [School Personnel Act](#) to increase the statutory minimum salaries of teachers with all levels of license and school counselors with Level Three licenses. Specifically, the amendment seeks to raise level-one salaries from \$50,000 to \$55,000, level-two salaries from \$60,000 to \$65,000, and level-three salaries from \$70,000 to \$75,000.

HB156 is endorsed by the Legislative Education Study Committee (LESC).

The bill has an effective date of July 1, 2025.

FISCAL IMPLICATIONS

The bill does not contain an appropriation.

The FY26 PED Public School Support budget recommendation includes \$101.4 million to school districts and charter schools for a three-percent increase in salaries for all school personnel. A higher minimum salary for each level of licensure would also increase costs for school districts and charter schools.

Raising the minimum salaries by \$5,000 for each licensure level does not add \$5,000 in cost for each teacher. For more than half of teachers, the proposed salary minimums of HB156 would have no effect on their salaries. Based on October, 2024 data, the average salary is \$55,708 for level-one teachers, \$66,888 for level-two teachers, and \$76,155 for level-three teachers. Any proposed raises in FY26 would increase these averages.

The estimated cost of new salary minimums for teachers in FY26 would be \$13 million if no raises preceded the changes in minimum salary. If a three-percent raise were appropriated by the legislature for FY26 for all public school personnel, the estimated cost of the change in minimum salaries would be \$5.8 million. The table below shows the count of teachers whose salaries would be increased by the new minimum salaries and the sum of the differences between current salary costs for FY25 and the proposed costs with the new minimums.

Conditions of Raise in FY26	Teacher Licensure Levels	Count of Teachers	Count of Teachers with Salary Increase	Sum of Teachers' Salary and Benefits Increases
Without 3% Raise	Increase to New Level 1 Min	3,816	1,121	\$3,061,712
	Increase to New Level 2 Min	6,011	933	\$3,699,628
	Increase to New Level 3 Min	9,224	1,645	\$6,233,666
	Totals	19,051	3,699	\$12,995,006

After 3% Raise	Increase to New Level 1 Min	3,816	606	\$1,576,793
	Increase to New Level 2 Min	6,011	630	\$1,793,065
	Increase to New Level 3 Min	9,224	1,169	\$2,427,023
	Totals	19,051	2,405	\$5,796,881

Minimum principal salaries are calculated based on the level-three-A licensure salary minimum and responsibility factors. An increase to the level-three-A licensure salary minimum would increase the principal minimum salaries and would represent a cost increase to school districts and charter schools for principals making less than the new minimum. This cost is not included in the calculations above. Similarly, school counselors with level-three-A licenses are included in the provisions of HB156 for a \$75,000 minimum salary. However, the costs in meeting the new minimum salaries for level-three-A school counselors is not included in the calculations above.

SIGNIFICANT ISSUES

In 2024, the [National Education Association](#) reported the average teacher starting salary in New Mexico to be \$50,628, which places New Mexico as the eighth state nationally. The overall average salary for an educator in New Mexico is \$63,580, below the \$69,597 national average, and also below the state’s minimum living wage (the income needed for one adult and one child to have a modest but adequate standard of living). Increasing the pay base for educators may help attract and retain a highly qualified, diverse workforce in the state and reinforce the PED’s widespread efforts for careers in education.

Increasing the salary minimums for teachers as proposed by HB156 may exacerbate compaction of teacher salaries, reducing teacher raises for years of experience. However, the new salary minimums would also increase administrator salaries and would likely increase the financial incentives to move from teacher to school administrator.

PERFORMANCE IMPLICATIONS

Teachers are the most important factor influencing student learning, and according to the [2024 New Mexico State University Southwest Outreach Academic Research Evaluation & Policy Center report](#), New Mexico has 737 teacher vacancies.

The provisions of HB156 would likely bolster teacher recruitment efforts, offering a more competitive initial salary for teachers compared to other careers that require similar levels of preparation.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to House Bill 201, which proposes to raise the minimum Educational Assistant salary from \$25 thousand to \$30 thousand and proposes to raise the minimum salary for all school personnel to \$15 per hour or to a \$30 thousand per year salary. The bill would be applicable to

the 2025-2026 and subsequent school years.

Relates to House Bill 195, which proposes to create a tiered salary system for school nurses with minimum salary levels that are the same as the minimum salary levels for teachers. The bill also proposes a new itemized program unit for national board certification for school nurses for the calculation of school program costs.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.