

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

SPONSOR Campos LAST UPDATED _____
ORIGINAL DATE 2/3/24
BILL
SHORT TITLE UNM Medical Residents Compensation NUMBER Senate Bill 270
ANALYST Jorgensen

APPROPRIATION* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$5,000.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
University of New Mexico (UNM)

SUMMARY

Synopsis of Senate Bill 270

Senate Bill 270 appropriates \$5 million from the general fund to the University of New Mexico for the purpose of increasing medical resident compensation from FY25 through FY30. No more than \$1 million per year may be expended.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

FISCAL IMPLICATIONS

The appropriation of \$5 million contained in this bill is a nonrecurring expense to the general fund. Although this bill does not specify future appropriations, multiyear appropriations, particularly if used to fund services and those services perform well, create an expectation the program will continue in future fiscal years; therefore, this cost could become recurring after the funding period.

SIGNIFICANT ISSUES

UNM reports:

The residents in graduate medical education programs at the University of New Mexico are represented by the Council of Interns and Residents (CIR). CIR's members ratified a collective bargaining agreement with UNM providing for an average 5 percent wage increase in FY24. Any compensation increases intended to be provided with the funding made available under SB270 will need to be bargained with the CIR.

Currently the negotiations for the collective bargaining agreement have concluded for FY24, and the final collective bargaining agreement has now been ratified and signed by all parties. The collective bargaining agreement includes the following:

- 5 percent wage increase
- \$600 one-time retention payment
- Two additional paid holidays: Day after Thanksgiving and Christmas Eve (align with UNMH holidays)
- 2 additional weeks of parental leave
- Additional flexibility in use of annual leave days
- 10 percent increase in meal funds at UNM Hospital (UNMH)
- Increase from 5 to 8 days of professional leave per program (used by residents and fellows for interviewing for fellowships / jobs towards end of training program)
- Additional flexibility in use of provided educational funds for relevant electronics

CJ/al/ne/ss