

This is an amendment to 1.7.4 NMAC, Sections 9, 12, and 13, effective 2/24/2026.

1.7.4.9 ASSIGNMENT OF PAY BANDS: ~~[The SPO shall appoint a job evaluation committee consisting of 10 members. The SPO will provide training in the job evaluation and measurement process. The committee shall apply the job evaluation and measurement process to all newly created or revised classifications.]~~

~~**A.** The committee shall submit the results of the job evaluation(s) as recommendations to the SPO director. The SPO director shall submit the pay band assignment results to the board for adoption.~~

~~**B.** Agencies may request a re-evaluation of a classification which, based upon their analysis, is inappropriately valued. Re-evaluations may be conducted no more than once every 24 months unless otherwise approved by the SPO director.]~~ The SPO will conduct a market-based analysis to determine the assignment of pay bands. The SPO director shall submit the pay band assignment results to the board for consideration and adoption.
[1.7.4.9 NMAC - Rp, 1.7.4.9 NMAC, 8/1/2021; A, 07/29/2025; A, 2/24/2026]

1.7.4.12 ADMINISTRATION OF THE SALARY SCHEDULES:

A. Entrance salary: Upon entrance to a classified position, a newly hired employee's salary, subject to budget availability, should reflect appropriate placement within the pay band. Any entrance salary at or above one hundred and fifteen percent compa-ratio must receive approval from the SPO director prior to hire.

B. Legislative authorized salary increase:

(1) Subject to specific statutory authorization for each state fiscal year, employees may be eligible for a salary increase within their assigned pay band.

(2) Employees with a salary at or above the maximum of the position's pay band shall not be eligible for an increase unless authorized by statute.

C. Salary upon in pay band adjustment: Agencies may increase an employee's base salary within the assigned pay band ~~[once per fiscal year]~~, subject to SPO director approval, budget availability and reflective of appropriate placement. In pay band adjustments may not result in the employee's base salary exceeding the maximum of the assigned pay band. When reviewing requests for in pay band adjustments the SPO director will take into consideration those instances where the requesting agency has employees with a current rate of pay that falls below the minimum of their pay band. In pay band adjustments for demonstrated performance, or skill and competency development shall be capped at ten percent per fiscal year.

D. Salary upon promotion: Upon promotion, an employee's salary subject to budget availability should reflect appropriate placement within the pay band. A salary increase of less than five percent shall require approval of the SPO director. A salary increase greater than ten percent per pay band increase shall require approval of the SPO director. A salary increase greater than ten percent to bring an employee's salary to the minimum of the pay band or less than five percent to prevent an employee's salary from exceeding the maximum of the pay band does not require the approval of the SPO director. The salary of a promoted employee shall be in accordance with Subsection B of 1.7.4.11 NMAC.

E. Salary upon demotion: Upon demotion, an employee's salary shall be decreased by no more than fifteen percent, unless a greater decrease is required to bring the salary to the maximum of the new pay band.

F. Salary upon transfer:

(1) Upon transfer an employee's salary, subject to budget availability and reflective of appropriate placement, may be increased or decreased by up to ten percent. The SPO director may approve a salary increase greater than ten percent due to special circumstances that are justified in writing.

(2) Employees shall be compensated, in accordance with agency policy, for all accumulated leave, other than sick, annual, or personal leave, prior to inter-agency transfer.

G. Salary upon pay band change: When a change of pay band is authorized in accordance with the provisions of 1.7.4.9 NMAC, 1.7.4.10 NMAC, or 1.7.4.11 NMAC the salaries of affected employees shall be determined in accordance with Subsection C of 1.7.4.11 NMAC. Employees whose pay band is adjusted upward or downward shall retain their current salary in the new pay band. Employees' salaries may be addressed through in pay band adjustment unless otherwise allowed by statute.

H. Salary upon reduction: The salary of employees who take a reduction may be reduced by up to fifteen percent. An employee's salary should reflect appropriate placement within the pay band. The SPO director may approve a salary reduction greater than fifteen percent due to special circumstances that are justified in writing.

I. Salary upon return to work or reemployment: The salary of former employees who are returned to work or re-employed in accordance with the provisions of 1.7.10.10 NMAC, 1.7.10.11 NMAC, 1.7.10.12 NMAC, or 1.7.10.14 NMAC shall not exceed the hourly rate of their base salary at the time of separation, unless a higher salary is necessary to bring the employee to the minimum of the pay band.

J. Salary upon temporary promotion: Pay for a temporary promotion under Subsection F of 1.7.5.12 NMAC, will be administered in accordance with Subsection D of 1.7.4.12 NMAC, except that payment of a temporary promotion increase shall be separate from the employee's base salary. The agency shall discontinue the temporary promotion increase when the temporary conditions cease to exist or at the end of the 12-month period, whichever occurs first.

K. Temporary salary increase: An agency may, with the approval of the SPO director, grant a temporary salary increase of an employee's base pay for a period not to exceed 1 year, from the effective date of the salary increase, for temporarily accepting and consistently performing additional duties which are characteristic of a job requiring greater responsibility/accountability or a higher valued job. The SPO director may approve temporary salary increases above the maximum of the employee's current pay band. Payment of a temporary salary increase shall be separate from the employee's base salary. The agency shall discontinue the temporary salary increase when the temporary conditions cease to exist or at the end of the 12-month period, whichever occurs first.

L. Salary adjustment to minimum: An employee whose salary falls below the minimum of the pay band will be adjusted in accordance with Paragraph (2) of Subsection C of 1.7.4.11 NMAC.
[1.7.4.12 NMAC - Rp, 1.7.4.12 NMAC, 8/1/2021; A, 07/29/2025; A, 2/24/2026]

1.7.4.13 PAY DIFFERENTIALS:

A. Temporary recruitment differential: The SPO director may authorize, in writing, a pay differential of up to fifteen percent of an employee's base pay to an employee who fills a position which has been documented as critical to the effective operation of the agency and has been demonstrated and documented to be a severe recruitment problem for the agency.

(1) A temporary recruitment differential authorized under this provision shall be tied to the position and may not transfer with the employee should the employee leave that position. Payment of this differential shall be separate from the employee's base salary. Agencies shall demonstrate to the office, at least biennially, the circumstances which justified the differential to determine the necessity for its continuance.

(2) A temporary recruitment differential of more than fifteen percent of an employee's base pay or that results in an employee's pay exceeding the maximum of the pay band may be authorized by the SPO director.

B. Temporary retention differential: The SPO director may authorize, in writing, a pay differential of up to fifteen percent of an employee's base pay to an employee in a position which the agency has documented and has been designated as critical to the effective operation of the agency and the employee's departure would disrupt the agency's ability to fulfill its mission.

(1) A temporary retention differential authorized under this provision may be approved up to one year. The agency shall demonstrate to the office, at least annually, the circumstances which justify the continuance of the differential. The agency must provide a detailed plan that outlines how they intend to resolve the problems associated with the retention difficulties. Payment of this differential shall be separate from the employee's base salary and may not transfer with the employee should the employee leave that position.

(2) A temporary retention differential of more than fifteen percent of an employee's base pay or that results in an employee's pay exceeding the maximum of the pay band may be authorized if approved by the SPO director.

C. The temporary recruitment differential and the temporary retention differential are separate and distinct pay differentials that are administered separately.

D. Pay for dusk to dawn work: Employees shall be paid, in addition to their hourly pay rate, no less than \$0.60 per hour for each hour of regularly scheduled work between 6:00 p.m. and 7:00 a.m.

(1) Agencies shall notify the SPO director of any change to the dusk to dawn differential or hours of eligibility.

(2) Agencies may choose not to pay the dusk to dawn differential to an employee whose alternative work schedule request results in the employee working any hours between 6:00 p.m. and 7:00 a.m.

E. Multi-lingual Pay: An agency may authorize a pay differential of \$0.35 per hour to an employee who has been assigned to perform multi-lingual duties in a facility, office or worksite where it is deemed necessary to facilitate multi-lingual communications with members of the public.

[1.7.4.13 NMAC - Rp, 1.7.4.13 NMAC, 8/1/2021; A, 07/29/2025; A, 2/24/2026]

