



# NEW MEXICO BUSINESS COALITION

## **New Mexico, Let's Get Back to Business**

### **A safe, sensible and incremental plan to get New Mexico back to work**

*(Because COVID-19 numbers change frequently, this plan was updated on 4/22/20 to recognize where New Mexico currently stands with control of the virus. Additional updates may follow, if conditions warrant.)*

New Mexico Business Coalition (NMBC) seeks to do what is best for our state and all of the people who live here. We love this state and care deeply about it both in regards to the health of our citizens and the health of our economy.

Governor Lujan Grisham was proactive in her desire to keep New Mexicans safe from the Corona virus and we are thankful for the low numbers of infection and deaths as compared to other states. Currently our state is in mandatory shut down of all nonessential businesses to protect against the spread of the COVID-19 virus. By the numbers, these practices have worked, but there is more to consider.

We believe that every business is essential, because every business offers an opportunity for people to provide for themselves and their families. Business operations allow people to continue with their lives' needs even if currently on a limited basis. In addition, businesses pay taxes that fund our roads, hospitals, and many other common and necessary functions of government.

To provide hope and a pathway forward for job providers and employees, a plan of action to transition to an 'open' economy needs to be formulated. NMBC has a suggested plan provided herein. First, however, let's recap where we are as a state and look at sound evidence that supports our recommendation to safely, sensibly and incrementally move our state forward to a place of opening businesses and recreational facilities.

Our businesses were shut down with virtually no notice, being told in the late afternoon that they would not reopen in the morning. There was no option, no discussion, and there was no time for planning. As a result, we have seen businesses announce that they would close permanently because they are financially unable to sustain the loss of income. Other businesses are in an extremely dangerous position and unsure if they will make it until they can reopen. Most businesses are scrambling to find funds to pay ongoing bills when there is no income and business owners are worried about their employees' wellbeing.

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Page 2

To date, we have over 90,000 New Mexicans unemployed and many are having significant problems obtaining unemployment benefits. This is putting a strain on their ability to provide for the immediate needs of their families. In addition, their debt is mounting because many are unable to make payments for rent, mortgages, vehicles, utilities and other ongoing expenses. There may be a reprieve from collections and evictions at this time, but it does not stop the need to pay those bills eventually.

Also troubling is that all ‘nonessential’ medical appointments have been stopped. Much of the problem with this lies in the definition of ‘nonessential’ because preventative diagnostic services should be considered ‘essential’. With a high incidence of cancer, screenings including mammograms, colonoscopies, MRIs, . . . etc. should be allowed to continue in order to save lives. The last thing we need is for New Mexicans to lose the opportunity for early detection of skin, breast or other cancers, and die sooner than necessary due to the lack of early detection.

Ironically, the decision to stop essentially all medical appointments, outside of emergencies and COVID-19 related issues, has meant virtually no revenue to sustain some hospitals and its staff. Lovelace Health System has reduced hours and pay for many employees.<sup>i</sup> In addition, the state is now planning to provide \$35 million to 35 facilities in order to keep them in business.<sup>ii</sup>

If we look at Taiwan, we see similarly low infection rates in a country just miles away from the original epicenter of COVID-19. Taiwan did not have a mandatory government shut down of businesses; rather it implemented a policy of individual responsibility along with transparency of information.<sup>iii</sup> Likewise, Germany has taken a softer stance, with less stringent containment measures, yet it has fewer confirmed cases and significantly fewer deaths than Italy and Spain.<sup>iv</sup>

New Mexico’s requirement for mandatory business closures have been clear; however, there was and still is no plan on how the state will remove the mandates for closure and allow businesses to reopen. NMBC recommends Governor Lujan Grisham formulate and publicize a plan with a timeframe to open New Mexico businesses again and we would like to help.

While an entire economy can be quickly shut down, we will not see most businesses immediately able to reopen, restaff and begin operating at the same capacity they employed prior to the shutdown. That is the reason we need a plan.

As of April 21, 2020, New Mexico has had a very low infection and death rate, as compared to many other states. Most models show that New Mexico has passed its peak infection rate and several New Mexico counties have had less than five COVID-19 cases.<sup>v</sup> In addition, it’s important to recognize that while every life lost is unfortunate, most of those who passed were elderly and/or had significant underlying health issues. Some were hospitalized for other reasons.

Because New Mexico has good data and greater testing capabilities, we know our state is doing well in handling the crisis. Information from New York, Italy and other epicenters provide an excellent view of the time frame for community inception and peak. In these instances, we are dealing with facts, not projections. That is why modeling which analyzes data from every state as well as other countries, should be trusted and utilized in projecting what is likely to happen in New Mexico. It is neither necessary nor good practice to isolate modeling for New Mexico while always highlighting extreme worse case scenarios.<sup>vi</sup>

It is time to get back to business and let our people get back to providing for their families! While the virus was an unforeseen challenge, it has caused significant hardship on New Mexicans for several reasons. We are now seeing that suicide, domestic abuse, drug and alcohol abuse are all increasing. We must look to mitigate those issues. The best way to start that process is to allow people to start moving safely back into working and participating in recreational activities.

The shutdown of business has had a devastating effect on New Mexico's economy as well. The New Mexico Legislative Finance Committee Staff agrees, stating "...the COVID-19 pandemic has left New Mexico in a perilous revenue situation, severely limiting opportunities for state-support of businesses moving ahead."<sup>vii</sup> Many agree that the most economical path forward is to reopen business and allow people to work with safety as the uppermost consideration. Also important is the opportunity this would create for New Mexican's mental and emotional health while still monitoring best practices for our physical wellbeing.

New Mexico Business Coalition's suggested plan for reopening businesses and other facilities is based on applicable research and what would be most prudent for our state. It can be used as a model to be adapted as appropriate by municipalities. **This plan is safe, sensible and incremental in its approach and allows the Governor and her team to closely monitor progress as it is implemented.**

Implementation guidelines to be used throughout the process of reopening the state would, of course, provide for monitoring of the virus for any significant increased spread or other problems. We understand that issues with COVID-19 will continue for some time; what we are suggesting is looking after other indicators of wellbeing, which includes a person's financial security, while still mitigating any significant dangers of the virus. Safe practices could be determined using guidance from the U.S. Center for Disease Control and Prevention (CDC) and may include, but would not be limited to:

1) A person who is positive or living with someone who has tested positive for COVID-19, even if not showing symptoms, should not return to work until tested negative;

2) Elderly and/or those with significant health concerns, should continue to stay sheltered until it is deemed safe for them to do otherwise;

3) Continue to maintain social distancing parameters of six feet clearance while at work, shopping or completing transactions;

4) All employees of any retail establishment should wear masks, especially those handling food, for at least another month or until the active threat of virus spread has subsided;

5) Continue to maintain smaller gatherings of up to 10 persons for at least another month or until the active threat of virus spread has subsided;

6) Customers and shoppers should be encouraged to wear masks;

7) Continue to protect our most vulnerable population in nursing homes by preventing in-person visits until the threat of virus spread has subsided.

As every new date and benchmark is met, progress with the virus spread can be monitored. It is understandable that the virus will not stop abruptly and there will be new cases and the unfortunate continuation of lost lives. But if business and life can start moving to a new normal state, that will help provide for the overall health of our people and our economy.

**NMBC's suggestions to reopen New Mexico are as follows:**

1) Identify all businesses that can operate under the same guidance currently in effect of a maximum 20 percent occupancy and utilizing masks and social distancing. Open those businesses immediately. Businesses should not be excluded from opening with 20 percent occupancy and the above guidelines, unless there is a specific reason not to allow it to open.

2) Open outdoor recreational facilities with the same constraints as businesses, where it makes sense to do so. All recreational facilities should be allowed to open with 20 percent occupancy and the above guidelines, unless there is a specific reason not to allow it to open. For example, this might include leaving playgrounds closed until adequate cleansing of the equipment can be effectively managed. This will allow people and families positive enjoyment to help them stay mentally and emotionally healthy.

3) Two weeks after the determined virus peak, which is estimated to be before the end of April,<sup>viii</sup> and over two months past the initial declaration of a public health emergency, allow every business, government agency and outdoor recreational facilities to begin operating at 50 percent capacity, unless there are indications that the virus has worsened or there are other issues preventing the safe progression to increased capacity of businesses and facilities.

4) On May 16, 2020, allow early voting to take place with the same protective gear and restrictions required for businesses at that time.

5) Two weeks past the prior increased capacity to 50 percent and with no significant virus issues being reported, increase all business, government and outdoor recreational facilities capacities to 75 percent, again based on safety and best practices for the facility being opened. Begin opening indoor recreational and fitness facilities with strict guidelines on safe practices in cleaning equipment.

6) Two weeks past the increased capacity of 50 percent and again assuring that there are no significant virus issues, increase all business, government and outdoor recreational facilities capacities to 100 percent. Increase indoor recreational facilities as appropriate continuing the incremental increases until operating at 100 percent.

7) On June 2, 2020, allow the New Mexico primary election voting to take place with the guidelines in effect at the time. This was also the decision of the N.M Supreme Court.

NMBC recognizes that there are a lot of factors to consider. We encourage outreach from the Governor's office and would welcome the opportunity to consult with her and her staff in order to open New Mexico in the most efficient and safe way possible.

To Governor Lujan Grisham, we urge you to take quick action to help the great people of New Mexico as well as our economy. We look forward to hearing from you to work in partnership and/or seeing your swift action on next steps.

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<sup>i</sup> Chris Ramirez, "Lovelace cuts pay, hours during COVID-19 crisis," (KOB Ch 4).

<sup>ii</sup> Dan Boyd, "NM coronavirus cases surge past 1K mark," (Albuquerque Journal, April 11, 2020), p. A5.

<sup>iii</sup> Javier Caramés Sanchez and William Hongsong Wang, "Why Taiwan Hasn't Shut Down Its Economy," (Foundation for Economic Education, April 2, 2020).

<sup>iv</sup> Markets and Economy, "Global economies: What we see ahead," (Vanguard, April 8, 2020).

<sup>v</sup> New Mexico Department of Health, Coronavirus Disease 2019 in New Mexico.

<sup>vi</sup> Dan Boyd and Dan McKay, "State will craft economic recovery plan," (Albuquerque Journal, April 10, 2020), p. A4.

<sup>vii</sup> New Mexico Legislative Finance Committee Staff White Paper Health & Economic Issues from COVID-19 in New Mexico, April 20, 2020, p. 8.

<sup>viii</sup> Dan McKay, "Fewer deaths in NM, US predicted," (Albuquerque Journal, April 9, 2020), p. A3