

Paid leave, minimum wage hike supporters will press on

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SANTA FE – Gov. Michelle Lujan Grisham’s recent suggestion that this might not be the right time for New Mexico lawmakers to pass bills imposing new requirements on businesses – including mandatory paid leave and a higher minimum wage – surprised advocates who say such measures are needed to protect front-line workers during the COVID-19 pandemic.

And backers of the bills, which have already drawn fierce debate during the 60-day legislative session, said Tuesday that they would keep pushing the measures despite the governor’s remarks.

Rep. Christine Chandler, D-Los Alamos, who is sponsoring two paid leave bills, said she understands Lujan Grisham’s concerns but pointed out the Legislature has advanced several pandemic relief measures aimed at helping hard-hit restaurants and other businesses.

“We’ve been investing a lot in businesses during the session,” Chandler said. “We’re supporting businesses, and we’re supporting employees, too.”

Other Democratic lawmakers were more direct, with Sen. Jacob Candelaria, D-Albuquerque, who has clashed with the Governor’s Office in recent months, calling the governor’s comments “shameful” in a social media post.

Gov.’s objections

During a news briefing last week, Lujan Grisham said in response to a question about business leaders’ concerns about worker-focused bills that she largely agrees with the measures’ guiding philosophies. She also said they could make New Mexico businesses even stronger in the long run.

“I would say the debates and efforts are good,” Lujan Grisham told reporters. “The effort today to make that law? Premature.”

Specifically, the Democratic governor cited concern about small businesses’ ability to hire employees after the pandemic. State officials have cited estimates that New Mexico will not return to pre-pandemic employment levels until late 2023.

Business leaders have made similar arguments in rallying against the Democratic-backed proposals advancing at the Roundhouse, saying they would hurt employers who are already struggling to stay open.

Terri Cole, the president and CEO of the Greater Albuquerque Chamber of Commerce, said she was encouraged by Lujan Grisham's comments, noting the governor's general clout in influencing legislative debate and her ability to veto bills.

"We welcome the governor's help on the tax increases, mandates and increased regulations in the bills that are moving through the Legislature," Cole told the Journal.

She also said that business groups have expressed a willingness to help craft a statewide paid leave policy but that their offers have largely been rebuffed by advocates.

Paid leave plans

The two paid leave bills that have advanced at the Roundhouse have drawn support from front-line workers who have testified they feel compelled to work even when sick to avoid losing wages.

One of the bills, House Bill 20, applies to paid sick leave and would give employees, regardless of a business's size, the ability to use up to 64 hours of accrued paid leave per year.

The other bill, House Bill 38, deals with family and medical leave. It would create a new state fund that employers and workers would both pay into, starting in June 2023.

Starting in January 2024, the fund would pay for employees to take up to 12 weeks of paid leave per year to deal with serious medical issues or the birth or adoption of a child.

That bill recently hit a speed bump after it was sent to a House budget committee for further review due to cost concerns. Specifically, a fiscal analysis of the legislation estimated it would cost the state nearly \$70 million in the coming fiscal year.

In response, Chandler said some changes will be made to the measure, including adding an appropriation to cover the projected cost.

"I'm still very excited about the bill," she said Tuesday, describing it as a "game changer" for workers who currently don't have access to paid leave.

She also disputed claims the paid leave bills would impose a significant burden on businesses.

In addition to paid employee leave, other bills that have drawn scrutiny from business groups include legislation raising New Mexico's minimum wage – which is already scheduled to rise to \$12 per hour by 2023 – proposals dealing with environmental regulations and legal liability for hospitals and businesses.

Federal law requires all employers with 50 or more workers to offer up to 12 weeks of unpaid leave per year so that employees can care for a newborn child or a seriously ill family member.

Several states, including California, New Jersey and New York, have enacted laws requiring paid leave, according to the National Conference of State Legislatures.

In New Mexico, Bernalillo County has also adopted a paid time off ordinance, though it only applies to unincorporated parts of the county.

Meanwhile, a coalition of roughly 20 business groups from around New Mexico launched a campaign last week urging lawmakers to focus on economic recovery – and not on business requirements and regulations.

The 60-day session ends March 20.