RE: Oppose HB 268 Coronavirus & Workers' Comp

Mr./Madame Chair and Committee Members:

The New Mexico Business Coalition (NMBC) represents hundreds of businesses and thousands of New Mexicans. Our focus is to make New Mexico a better place to do business so that our people have jobs and can provide for their families.

HB 268 Coronavirus & Workers' Comp is bad public policy and places the burden of the ongoing health pandemic on the shoulders of business owners. This is the worst time to place more burdens on any business and especially those considered essential. They have been at the frontlines continuing to operate when many others could not. In addition, the WC system was developed for workplace related injuries. It was not designed for claims arising from viruses and should not be used for this purpose.

Essential employees would not be required to prove that they were actually exposed to Covid-19 at work, but could claim coverage under their employer’s Workers' Compensation (WC) policy. This significantly increases employers’ potential liability and would likely result in additional expenses including interruptions to business operations and other associated administrative costs. Importantly, this type of open door policy on WC claims could bankrupt some of the private and group WC funds in New Mexico.

This bill prohibits insurers from using Covid19 claims arising in the course of employment in developing rating plans, but it is likely to cause premiums to increase significantly for all employers due to the increased risk.

We urge you to say ‘NO' to HB 268.

Thank you for your consideration,

Carla J. Sonntag
President