



**NEW MEXICO  
BUSINESS COALITION**

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RE: Support SB 428 Unemployment Calculation Dates

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 New Mexicans have jobs and can provide for their families.

NMBC strongly supports SB 428 Unemployment Calculation Dates as it will extend the good work completed by the legislature during the June 2020 Special Session. SB 428 would extend the time period to rightfully hold employers harmless for layoffs mandated by the state's emergency orders. We applaud this legislation that would limit Unemployment Insurance (UI) tax increases through the omission of an employer's enterprise's experience history, excess claims premiums and excess claims rates for an additional year. It will also extend the computation date reserve factor for another year.

Businesses have not been able to fully open for operations and there is no clear end date for the closures and partial closures, which have caused a significant decrease in revenue production. This has caused over 2000 businesses to close, over 124,000 New Mexicans to file for unemployment and the loss of over 60,000 jobs. The UI fund is currently insolvent and there is no question we must restore the fund for the sake of those still unemployed, but the very best thing we can do to replenish those funds are to 1) safely open the economy and get people back to work; and 2) maintain the current UI procedures and factors so that businesses can hire more people. This will reverse the flow of money from the UI fund by slowing or stopping UI payments and having businesses replenish the fund with UI taxes paid for rehires and new hires.

This delicate balance will only work if UI rates do not increase significantly in the near future. If they do increase, this would exasperate the unemployment and stagnant economic situation we are facing by forcing more businesses to close or to restrict job openings. Supporting business operations will promote a faster and stronger recovery and allow for more jobs to be available for New Mexicans desperately wanting to get back to work and provide for their families.

We urge you to say 'YES' to SB 428 and provide New Mexico's businesses and employees a better chance for a successful future.

Thank you,

A handwritten signature in blue ink that reads "Carla J. Sonntag".

Carla J. Sonntag  
President