

NM small businesses in ‘a world of hurt,’ speaker says

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ALBUQUERQUE, N.M. — New Mexico’s economy is slowly recovering from the effects of the COVID-19 pandemic, but making sure the local economy is competitive with its neighbors’ coming out of the downturn remains an uphill battle, according to the Economic Forum of Albuquerque’s latest speaker.

“As we come out of this pandemic, we must come out of it with a laser focus on rebuilding our economy through a lens of creating communities of opportunity for our children,” said Rob Black, president and CEO of the New Mexico Chamber of Commerce, during a Wednesday morning event.

Black said the pandemic has done significant damage to New Mexico’s small business community. Total small business revenue has decreased in New Mexico by 30.9% since January 2020, and the number of open small businesses has declined by 35.6%.

“We were, and are, in a world of hurt right now,” Black said.

These effects are layered on top of the economic problems New Mexico had before the pandemic began, including a working-age population that’s expected to decline in the coming years. Black said the state is projected to lose 3% of its working-age population in the coming decade, in sharp contrast to neighboring states like Arizona, Colorado and Texas.

Black characterized the state’s recently concluded legislative session as a mixed bag from a business perspective. He said lawmakers approved a mix of new programs that will help small businesses, including House Bill 255, which allowed for liquor delivery and overhauled New Mexico’s liquor license system.

“It is going to transform how restaurants are able to build and develop and acquire a license,” Black said. “This will be an earthquake in the hospitality industry.”

But Black said even more bills that he described as unfriendly to small businesses were introduced, including some — like the paid sick leave mandate — that were passed by the legislature.

“It was frankly very, very disconcerting to the business community across the state,” he said.

As the state economy continues to recover from the effects of the pandemic, Black said New Mexico should focus on attracting and retaining working-age residents by emphasizing the state’s affordability and natural beauty. Additionally, the state should try to provide existing workers with in-demand skills through job-training programs.

Black also recommended the state invest in its infrastructure, take better advantage of its proximity to Mexico and improve its overall regulatory environment as leaders look to rebuild the economy in the wake of the pandemic.

“For this to work in New Mexico, we must think differently, we must act with urgency and we must focus on quality and work toward consensus,” he said.