



**NEW MEXICO
BUSINESS COALITION**

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RE: Oppose HB 28 State Minimum Wage Cost-of-Living Increase

Mr./Madame Chair and Committee Members:

The New Mexico Business Coalition (NMBC) is an organization of hundreds of businesses and thousands of New Mexicans. Its focus is to make New Mexico a better place to live, work, and run a business so that New Mexicans have jobs and can provide for their families.

NMBC strongly opposes HB 28 State Minimum Wage Cost-of-Living Increase. The state on January 1, 2023, increased the wage mandate to \$12/hour. This is following the loss of 40 percent of New Mexico's businesses that were permanently closed during the Covid pandemic. The small businesses that remained in operation are struggling to recover lost revenue and to hire employees from a pool of many who have left the workforce.

This bill, on the surface, seems reasonable. However, I would point out that most small businesses are struggling to keep their doors open and employees paid. As inflation ravages our budgets, this would only fuel that fire. Every time wages go up by government mandate, the business owner is forced to raise prices. The employee who may be excited to receive a wage increase will end up spending it many times over because of increased prices they will pay for food and necessities.

In addition, this simple cost of living increase will push minimum wages to be among the highest in the nation. New Mexico cannot afford that. And neither can our people.

NMBC's position is that blanket mandates are unnecessary and a growing burden on small business owners who are trying to maintain or grow their operations. This cost-of-living increase will hurt, not help, New Mexico families.

New Mexico cannot afford additional business mandates and we urge you to say 'NO' on HB 28 State Minimum Wage Cost-of-Living Increase.

Thank you,

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

Carla J. Sonntag
President/CEO