



March 3, 2025

The Honorable Elizabeth Thomson
Chair
House Health & Human Services
490 Old Santa Fe Trail
Santa Fe, NM 87501

The Honorable Pamela Herndon
Vice Chair
House Health & Human Services
490 Old Santa Fe Trail
Santa Fe, NM 87501

RE: Opposition of House Bill 446, Parental Leave & Fund

Dear Chair Thomson, Vice-Chair Herndon, and Members of the Committee:

As a representative of New Mexico's small businesses, Small Business Majority writes today in opposition of HB 446. We oppose this bill because it would fall short of creating a robust paid parental leave program in New Mexico, funded by employee contributions to give employees access of up to nine weeks of wage compensation for bonding with a new child, starting January 1, 2028.

Small Business Majority is a small business organization that empowers diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,500 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable small business growth.

Like many other important workplace benefits, including healthcare and retirement, access to paid family and medical leave is crucial to the success and economic well-being of small businesses nationwide. However, due to the cost of implementing these programs coupled with the absence of a federal paid family and medical leave policy, most of New Mexico's small businesses are unable to offer the same type of robust benefits that larger companies routinely provide. This access gap forces small business owners and their employees to make unimaginable decisions between caring for a family member or recovering from an illness, all while keeping their jobs or their businesses afloat.

Although HB 446's intention is good, it would fall short of addressing this significant barrier for small businesses and the state. First, the bill only offers nine weeks of paid parental leave, while many large businesses offer twelve weeks or more. Without offering twelve weeks, it would be difficult for small businesses to compete with larger businesses for the most talented workers. What's more, the bill exclusively offers parental leave, neglecting to recognize that there are numerous reasons why someone might take leave including treatment for a serious illness, bereavement, safe leave and more. Here again, offering parental leave only falls short of helping small businesses compete with large corporations that offer highly comprehensive paid leave programs. Simply put, small employers cannot compete for a skilled workforce through a half-baked proposal like this.

Small businesses want to be able to offer the best possible benefits, not watered down programs that aren't attractive to many workers. We urge the committee to oppose HB 446 because small businesses in our state deserve more.

Sincerely,

Awesta Sarkash
New Mexico Policy Director
Small Business Majority