

March 2, 2023

Senator Mimi Stewart President Pro Tempore 490 Old Santa Fe Trail, Office 105A Santa Fe, NM 87501

Senator Peter Wirth Majority Floor Leader, Office 119 490 Old Santa Fe Trail Santa Fe, NM 87501 Senator Gregory A. Baca Minority Floor Leader 490 Old Santa Fe Trail, Office 109A Santa Fe, NM 875

RE: Pass SB 11, Paid Family and Medical Leave Act

Dear President Stewart, Majority Leader Wirth, Minority Leader Baca and Members of the New Mexico Senate:

As a representative of New Mexico's small business community, Small Business Majority urges you to pass SB 11, which would create a state-run paid family and medical leave program for New Mexicans.

Small Business Majority is a national small business organization that empowers America's diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,000 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable small business growth. A key component of our work involves outreach to small business owners on a range of small business issues, including access to capital, workforce issues, healthcare and more.

Small business owners want to offer their employees competitive benefits but cannot afford to do so. Under this new legislation, the Department of Workforce Solutions would administer the Paid Family and Medical Leave (PFML) Fund, which would be supported through small employee and employer contributions. The legislation, as written, allows employers with fewer than five employees to be exempt from paying the employer contribution while their employees contribute and have access to the program. What's more, self-employed individuals will receive leave compensation payments directly from the Fund, which is essential as more and more individuals want to start their own business but are hesitant because they might not have access to critical benefits like paid family and medical leave.

Additionally, <u>our research</u> found strong support for proposals to provide partial wage replacement for paid medical leave and parental leave. Seventy-three percent of small business owners support providing access to paid medical leave and 67% support access to parental leave.

Passing SB 11 will bolster New Mexico's economy by providing small business owners with access to the benefits they need to attract a robust workforce. We urge you and the other members of the committee to vote yes on SB 11 to create a paid family and medical leave program and support the small business community.

Sincerely,

Awesta Sarkash Public Policy Director Small Business Majority