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Contact: Joaquin Romero

joaquin.romero@nmlegis.gov

(505) 506-5798

Senator Craig Brandt Criticizes Tax Hike on New Mexico Businesses

SANTA FE – This week, the New Mexico business community rose up to protest a tax hike imposed upon them by Governor Michelle Lujan Grisham and the Department of Workforce Solutions (DWS). According to recent media reports, approximately 7,000 business owners recently received notice that their unemployment insurance rates were increasing. The rates and premiums are calculated in part by employee turnover, but according to a recently enacted law, the quarterly tax rate was not to factor in employees lost due to the pandemic. Additional provisions were also enacted to keep rates steady and not place the increased unemployment burden on the backs of businesses already struggling to survive.

“This is nothing short of insult to injury,” said **Senator Craig Brandt** (District 40-Sandoval). “Our New Mexico business owners had the worst operating conditions in the nation imposed on them, and sadly, many did not make it. Now, the Governor’s administration is trying to shake down the small businesses left standing so they can fill the hole in their mismanaged unemployment insurance fund. This is particularly troubling given the fact that the Governor line-item vetoed our appropriation of millions of dollars to backfill the fund.”

In order to protect New Mexico businesses, Senator Brandt introduced a measure during the 2021 Regular Session that would have extended the use of the 2019 computed reserve factor and the omission of certain data from an employer’s calculated unemployment contribution tax rates. The bill was ignored by Democratic leadership and never received a committee hearing.

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