P.O. Box 95735 Albuquerque, NM 87199 (505) 235-6323

RE: Oppose HB 246 Increase Minimum Wage

Mr./Madame Chair and Committee Members:

Better Together New Mexico (BTNM) brings together hundreds of advocacy groups and thousands of New Mexicans statewide. Our mission is to unite New Mexicans through grassroots initiatives and work to positively shape the decisions that affect our lives, families, and communities.

BTNM strongly opposes HB 246, which would raise the minimum wage to \$17 an hour with automatic yearly increases. This comes just two years after the wage increased to \$12/hour, a change that contributed to the number of business closures we've seen. Many small businesses are still recovering from COVID-19, inflation, and hiring challenges. Additional mandates like this can and will push some of them over the edge.

While raising wages may seem like a positive step, non-market-driven government mandates increase expenses that trigger a cycle of rising costs. When businesses are forced to increase wages regardless of qualifications or worker performance, they must raise prices to cover these expenses. As a result, workers will find that higher wages don't stretch further as the cost of essentials like food and housing also climbs. This undermines the intended benefits of wage increases and further strains businesses and employees.

BTNM believes blanket wage mandates are unnecessary and harmful to small businesses striving to grow and support their communities. HB 246 would do more harm than good, hurting New Mexico families and the small companies they rely on.

New Mexico can't afford more business mandates, so we urge you to vote **NO** on HB 246 Increase Minimum Wage.

Thank you for considering my comments,

Carla J. Sonntag

President and CEO