

# Making KIDS COUNT in New Mexico



Presented to the  
**Legislative Health & Human Services Committee**  
October 16, 2017

Amber Wallin, KIDS COUNT Director

Bill Jordan, Senior Policy Advisor & Governmental Relations Officer

*New Mexico Voices for Children*



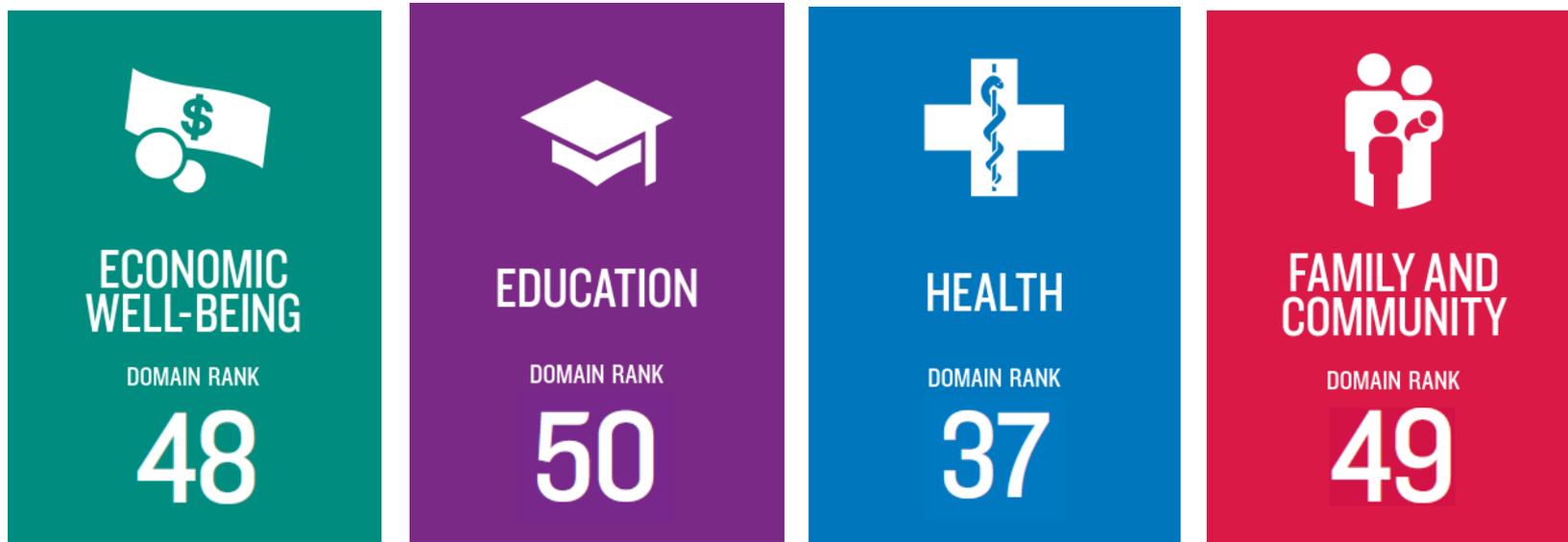
# What is KIDS COUNT?

DATA - RESEARCH - POLICY



# We are ranked 49<sup>th</sup> in child well-being

And some indicators are particularly alarming



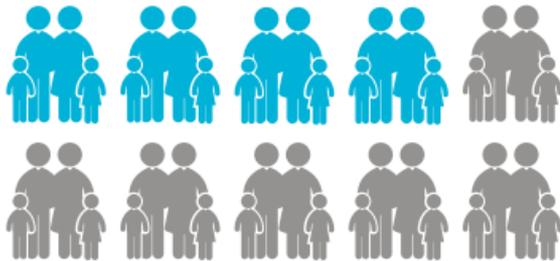
# NM's kids face high hurdles to success

low reading & math scores **poverty** **food insecurity**  
**child abuse** low access to early education & care



# NM's working families face major challenges

## 2<sup>nd</sup> Worst Rate of Working Families That are Low-income

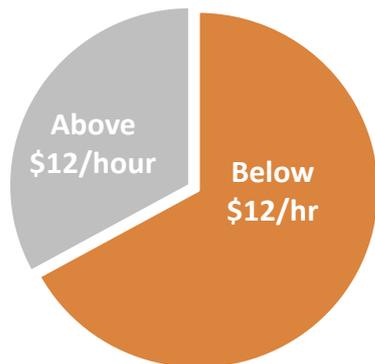


42% of our working families are low-income

## NM Has Some of the Highest Rates of Poverty in the U.S. Among:

- the employed
- families that work
- people who work full-time, year-round
- people with a bachelor's degree or higher

## 67% of Jobs in NM Pay Low Wages



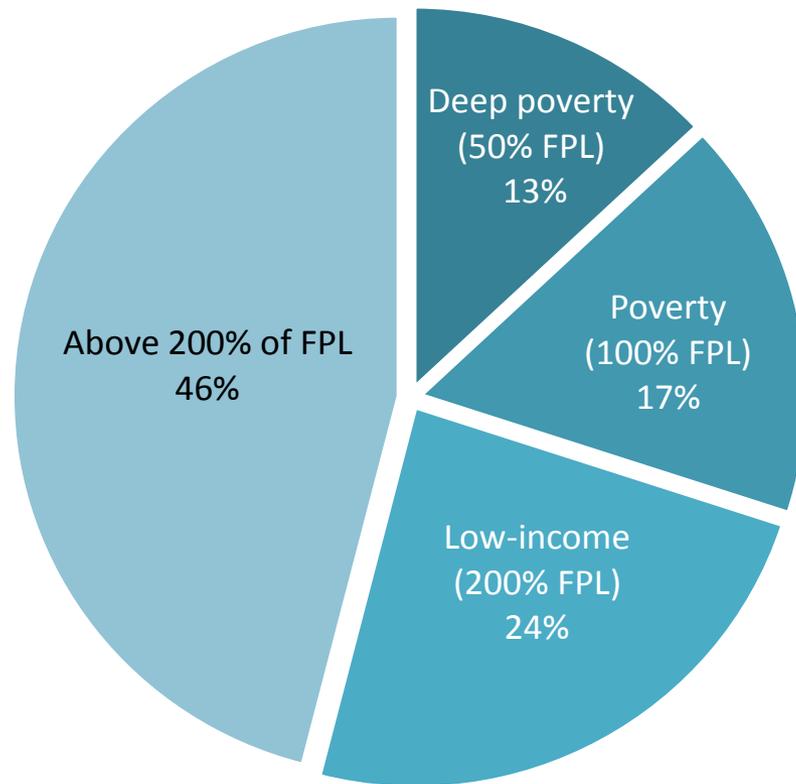
## Highest Long-term Unemployment Rate in the U.S.



45% of our unemployed have been looking for work for more than 6 months

# Most NM kids are in low-income households or living in poverty

## New Mexico's Children by Income Group



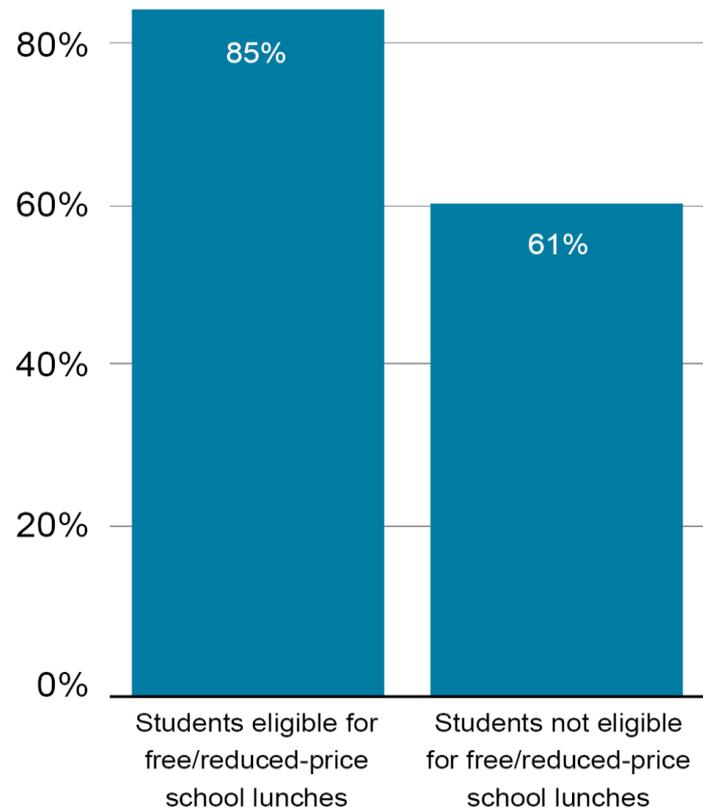
*\* The federal poverty level in 2016 was \$24,600 for a family of four.*



Source: US Census, American Community Survey data, 2016

# Income levels impact education

## Fourth Graders Who Scored Below Proficient in Reading by Family Income



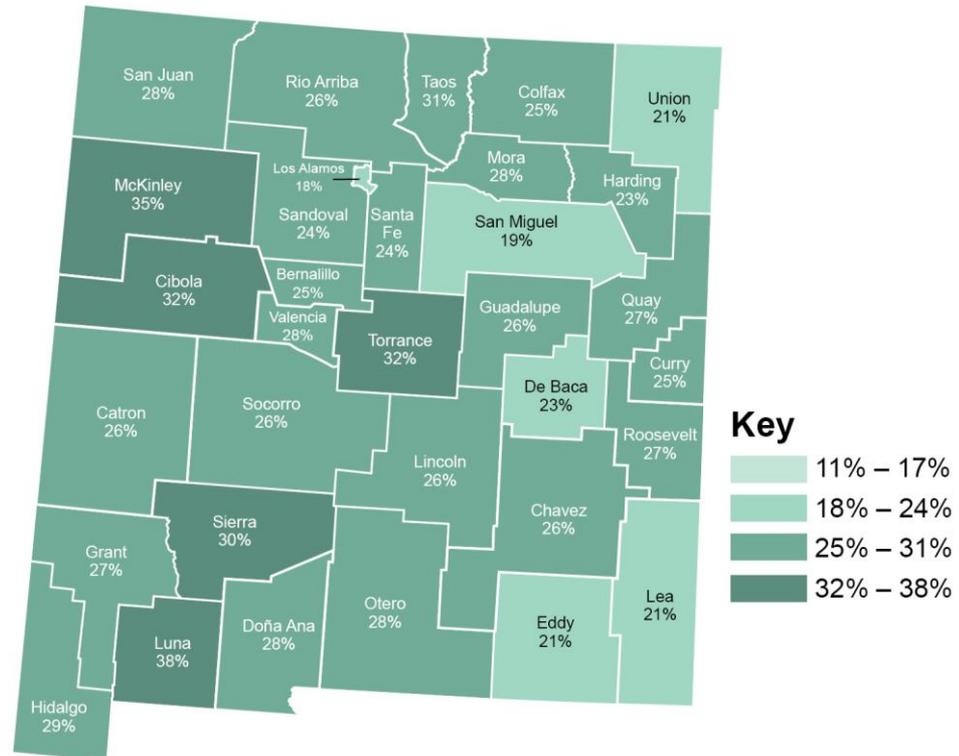
Source: U.S. Department of Education, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), 2013

# Too many New Mexico kids don't have enough to eat

25% of New Mexico's Children are Food Insecure

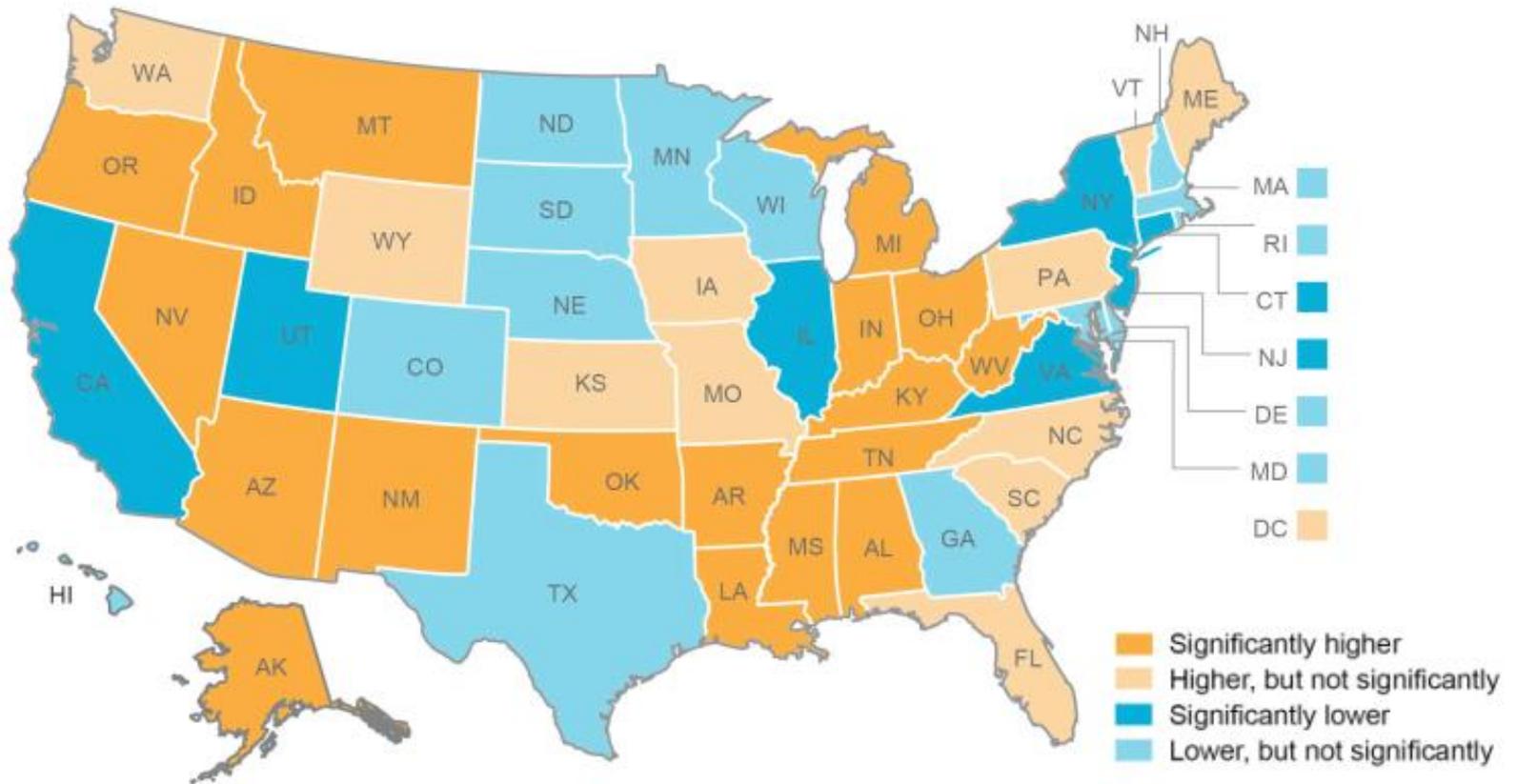
That's the 2<sup>nd</sup> Highest Rate in the U.S.

Percentage of children who are food insecure (2013)



# Most NM children experience trauma

Percentage of Children Who Have Experienced at Least Two Traumas, Compared to the National Average



# Disparities exist in every indicator

Indicator	Hispanic	Native American	White, non-Hispanic
Children in Poverty	35%	43%	14%
Young Children Not in School	63%	51%	54%
4th Graders Not Reading Proficient	83%	90%	61%
Children without Health Insurance	4%	9%	2%
Children Experienced Two or More ACEs	29%	31%	22%
Teen Births (per 1,000 Female Teens)	41	39	20



Sources: U.S. Census Bureau, American Community Survey; US Dept. of Education; US Dept. of Health and Human Services



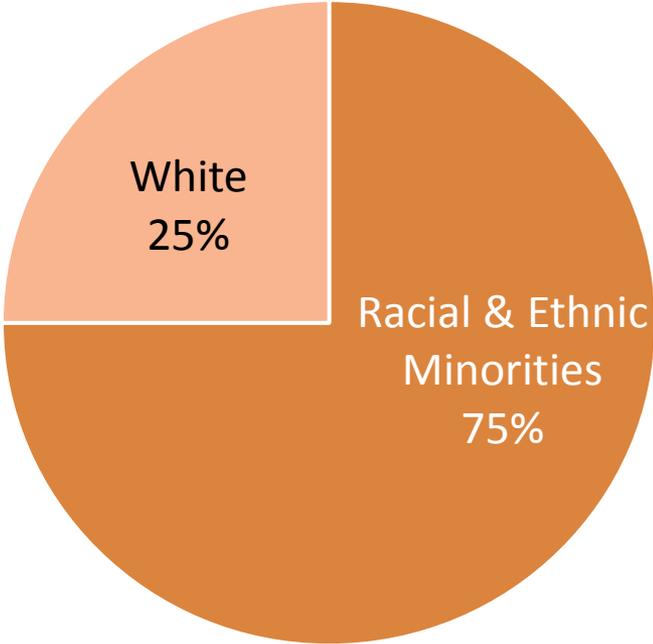
# NM is ahead of the demographic trend

## Child Population by Race and Ethnicity

United States, 2030



New Mexico, 2016



Source: U.S. Census Bureau, American Community Survey



# Nobody likes to hear the bad news, but there's good news too

**better reading & math scores**      **lower rates of food insecurity**

**better health outcomes**

**higher grad rates**      **lower remedial education costs**



# Progress IS possible

## And we're making some important gains

- 31,000 more NM kids have health insurance
- 4,100 more NM kids have access to pre-K
- 3,800 more NM families receive home visiting
- Big improvements in teen drug use and birth rates

*Most indicators are improving*



Sources: U.S. Census Bureau, American Community Survey; NM Legislative Finance Committee, *Post Session Review, 2017*

# ¡Sí, Se Puede!

Progress is within reach, and we CAN rise to the top

39<sup>th</sup> to 16<sup>th</sup>!

- ✓ ~~30,000 kids with health insurance~~
- 680 more kids in preschool
- 2% fewer teen dropouts
- 170 more babies born at a healthy birthweight
- 35 fewer child or teen deaths



# How we got here

- 13.9% cut in per-pupil K-12 spending from 2008-2016.
- 35% cut in per-pupil higher education spending, leading to steep tuition increases.
- Cuts to special education funding, resulting in an even greater loss of federal dollars for special ed.
- Enrollment in child care assistance has dropped by 27% since 2010.
- Cut U.I. benefits, including the increment for children of unemployed workers.
- Underfunding of the Medicaid program by hundreds of millions in recent years.
- Tax cuts made our tax system even more regressive AND we have hundreds of millions of dollars less AND the tax cuts failed to create jobs.



# Pri·or·i·ty

*noun*

A thing that is regarded as more important than another;

"housework didn't figure high on her list of priorities"

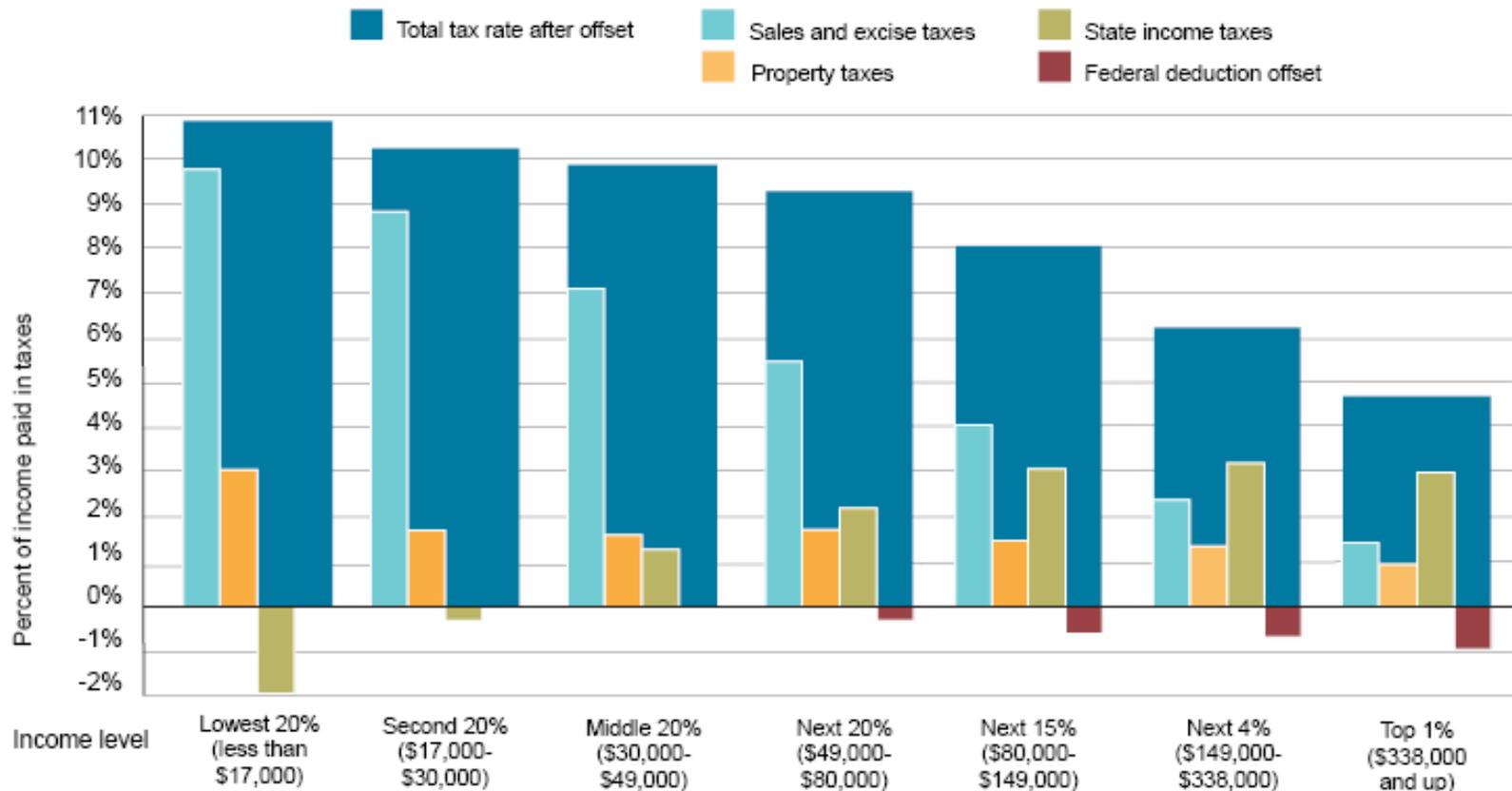
The right to take precedence or to proceed before others;

"traffic in the right lane has priority"



# Our tax system asks the most of those who can afford it least

Those in NM with the Lowest Incomes Pay the Highest Rates in State and Local Taxes



Source: *Who Pays?*, Institute on Taxation and Economic Policy, 2015

# Improve our tax system

*Child poverty is a longstanding pervasive issue and we need a set of targeted initiatives to end child poverty*

- NM's tax system is grossly unfair to working families.
- 75% of families pay more than **double** what the richest families pay in state and local taxes as a share of their incomes.
- Our tax policy has been driven by a false promise to create jobs, but it has come at the expense of our kids and families.



# The Earned Income Tax Credit and NM's Working Families Tax Credit

- EITC injects \$500 million into NM economy.
- NM's Working Families Tax Credit returns \$50 million to working families.
- 97% goes to working families with kids.
- Without these two credits, 40,000 *more* NM families would be in poverty.
- If tax reform is debated, lawmakers should consider increasing the WFTC to at least 15% of the EITC.

*“The best anti-poverty, the best pro-family, the best job creation measure to come out of Congress.”*

- Ronald Reagan on the EITC



# Raise new revenue to avoid more harmful budget cuts

- Reverse the big corporate income tax cut.
- Enact combined reporting of all corporate taxes.
- Repeal the capital gains exemption.
- Enact a new PIT increase or surtax on high incomes.
- Enact a new health care provider assessment fee.
- Raise tobacco and alcohol taxes.
- Repeal ineffective or wasteful tax breaks.
- Tax all internet sales.



# Big impact/no cost initiatives

## *No cost to the general fund*

- Increase the Minimum Wage.
- Expand paid sick leave & family medical leave.
- End predatory lending practices like payday, car title, rent-to-own, and tax refund lending by capping interest rates at 36%.
- Invest a fraction of the Land Grant Permanent Fund in early care and education.



# Early care and education

- Current funding is serving only a fraction of our eligible children.
- Eligibility for child care assistance is below 2001 levels (child care costs more than tuition at UNM).
- Enrollment in child care assistance is 27% **lower** than it was in 2010.
- NM needs a strong commitment to ECE and a stable and robust source of funding.



# Fully fund early childhood care and learning programs

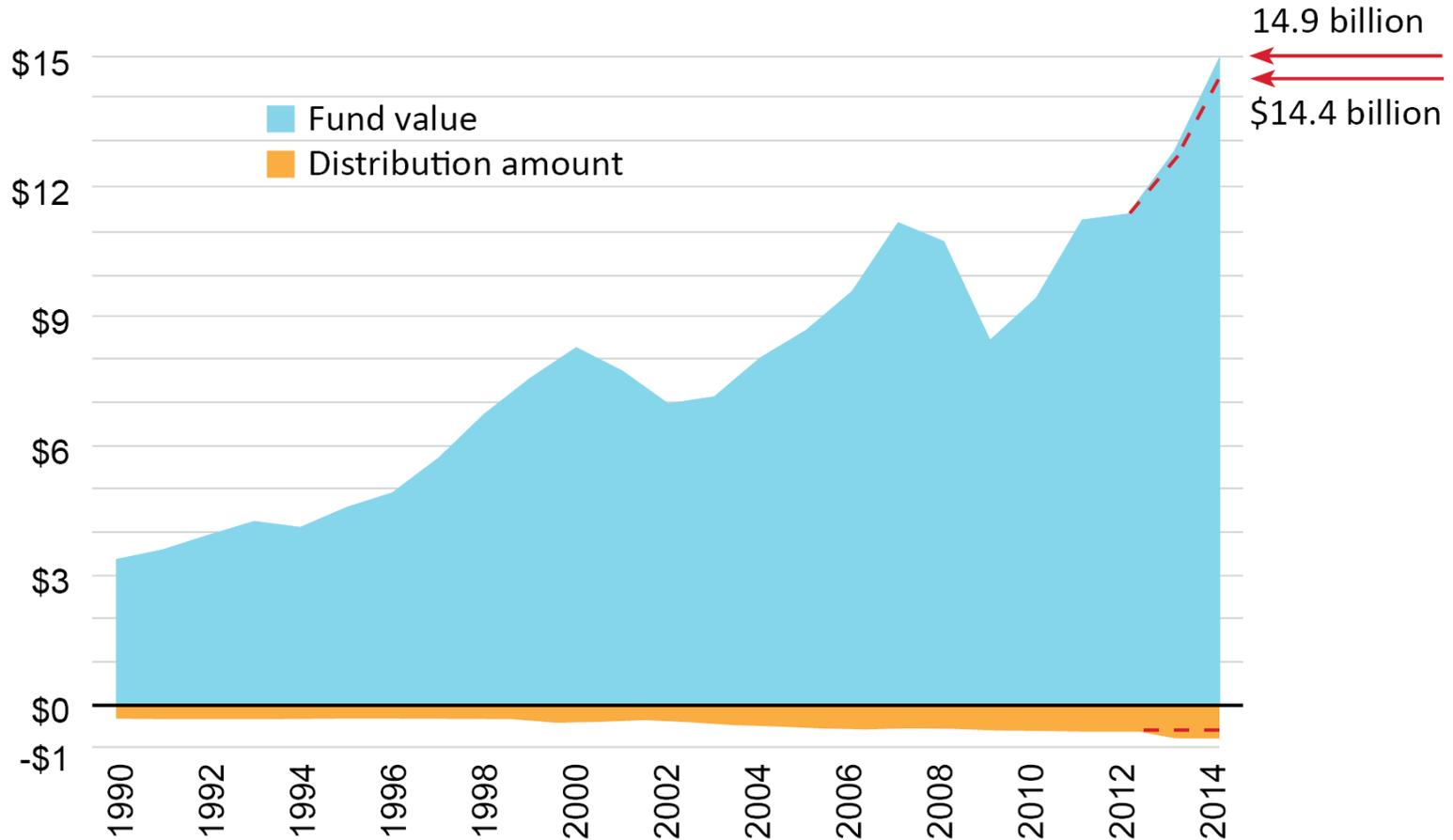
Invest 1% of \$16 billion LGPF

- To fund home visiting, child care assistance, NM pre-K, and workforce development.
- A dedicated, adequate, stable funding source.
- Does not raise taxes.
- LGPF will continue to grow.
- ECE provides better ROI than the stock market.



# Our Permanent Fund is robust

Value of the LGPF with and without 1.5% Investment in Early Childhood Services



Sources: State Land Office and Investment Council reports and audits, NM Voices estimates

# Fully fund child abuse prevention

- Prioritize early childhood care and education.
- Add ACEs screening to EPSDT.
- Reduce child protective services vacancy rate.
- Ensure adequate compensation and ongoing, extensive training for caseworkers.
- Restore and increase behavioral health services for families.



# Medicaid and SNAP

- Maximize enrollment in all federally funded health and nutrition programs.
- Simplify enrollment and recertification.
- Implement express-lane eligibility.
- Expand outreach efforts especially to women of child-bearing age to assure healthy births.



# Thank you!

*for more information:*

**New Mexico Voices for Children**

**(505) 244-9505**

[www.nmvoices.org](http://www.nmvoices.org)

[www.datacenter.kidscount.org](http://www.datacenter.kidscount.org)

