• FY19 budget is $740 million lower than FY09 when adjusted for inflation.
• K-12 is still funded at lower levels than pre-recession*.
• Higher Ed funding cut by 35%, tuition increased by 50%*. 
• Reserves so low, New Mexico had two credit downgrades.

*Inflation adjusted
The State of Our Kids

- NM drops to 50th in child well-being, child poverty, and education.
- NM had highest unemployment, worst job growth.
How We Got There

• Over-zealous personal income tax cut in 2003.
  o Revenue lost: $500 million per year

• Ineffective corporate income tax cut in 2013.
  o Revenue lost: $250 million per year

• Short-sighted gross receipts tax carve-outs.
A Plan for the Long Haul

Began a campaign in 2016 in order to effect change in 2019

Goals:

• Increase revenue
• From reliable, sustainable sources
• Progressive tax policies
Legislature passes revenue increase in 2017, but Gov. Martinez vetoes.
- Potential revenue lost: $350 million per year

- Potential cost: unknown
Strategies and Tactics

- Extensive policy analysis, reports, blogs, etc.
- Coalition building
- Conducted outreach to candidates
- Deepen relationships with key policymakers
- Extensive polling
- Built a message platform
- Sent issue mailers
- Greatly increased our social media presence
- Advocated with lawmakers
Our Policy Priorities

• **Increase reliable, sustainable revenue**
  • Increase the Working Families Tax Credit.
  • Create a new Child Tax Credit.
  • Increase the Low Income Comprehensive Tax Rebate.
  • Ensure that out-of-state corporations pay their fair share.
  • Tax online sales like in-state sales to level the playing field.
  • Fix the child care assistance ‘cliff effect.’
  • Increase high-quality early childhood services.
  • Increase the award of College Affordability Scholarships.
  • Secure funding for a Census outreach and engagement.
Coalition Policy Priorities

- Increase the state minimum wage.
- Pass a constitutional amendment to fund ECCE services from Land Grant Permanent Permanent Fund.
- Secure significant funding for schools.
- Make the K-12 curriculum more culturally, linguistically relevant for NM students.
- Fully fund Medicaid and increase funding for the Developmental Disabilities Waiver.
- Establish and license dental therapists.
What Passed: HB 6
More revenue from reliable, sustainable sources

- Raises more than **$200 million** in recurring revenue including:
  - A new top PIT bracket of 5.9% (with contingency).
    - Raises **$20 million** (FY21).
  - A cut in the capital gains deduction from 50% to 40%.
    - Raises **$10 million** (FY20).
  - Requires combined reporting for corporations.
  - Taxes all Internet sales.
  - Increases taxes on tobacco and e-cigs.
  - Increases the Motor Vehicle Excise Tax
  - Reforms the hospital tax.
    - Raises **$93 million** (FY20).
What Passed: HB 6

Improvements for kids and families

- Increase in the Working Families Tax Credit.
  - Increased from 10% to 17%; puts another $40 million into the hands of working families.

- Deduction to address harm to families from Trump tax cut.
  - Allows a deduction of $4,000 for each dependent beyond the first, saving families an estimated $36 million they would have paid in state income taxes due to the federal tax cut.
What Passed: HB 127

Need-based aid for college students

- Increased the College Affordability Scholarship awards by 50%.
  - Restored $25 million to the Fund.
  - Awards increased from $1,000 to $1,500 per semester.
  - Disbursements increased to $3 million each year.
What Passed: SB 437

Help for workers

• Increase in the state minimum wage.
  o From $7.50 to $9/hour in 2020.
  o Up to $12/hour by 2023.
  o Small increase for tipped workers.
  o Student wage of $8.50/hour, *does not increase*.
What Passed: HB 308

More access to dental care

- Establish and license dental therapists.
  - Allows for new type of mid-level dental practitioner to increase access to dental health care.
  - NM is just the 8th state to enact this.
  - Requires that they be dental hygienists first.
  - Includes tribal carve-out of hygienists provision.
What Passed: SB 22

Better coordination of ECE services

- Creation of Early Childhood Education and Care Department (ECECD).
  - Four ECE programs under one roof:
    - NM Pre-K
    - Child Care Assistance
    - Family, Infant, and Toddler (FIT)
    - Home Visiting
  - $1.25 million appropriated (FY20).
What Passed: K-12 Education

- 6% salary increases for public school teachers.
- Increased minimum salary levels.
- Increased funding for K-5 Plus and extended learning time.
- Increased at-risk factor in the funding formula.
- ~$450 million in new appropriations for K-12 education (16% increase in state funding).
- Professional development and training for teachers who serve diverse populations in order to meet the needs of our culturally and linguistically diverse students.
What Passed: HB 2
and other appropriation bills

• New funding of $3.5 million to support Census 2020 outreach.
• Medicaid fully funded; Medicaid buy-in study included.
• Housing trust fund increased by $2.2 million.
• $402 thousand increase in state SNAP supplement.
• NM Pre-K funding increased by $24.5 million.
• Child care assistance funding increased by $9.5 million.
• Home visiting funding increased by $1.7 million.
• DD waiver funding increased by $7.5 million.
• Individual Development Accounts funded for $150,000.
What Did Not Pass

• A fix for the child care assistance ‘cliff effect’ or significant increases in child care or home visiting funding.
• Constitutional amendment for greater funding for ECE services from land grant permanent school fund.
• Other initiatives to make K-12 curriculum more culturally, linguistically relevant for NM students.
• A new Child Tax Credit that would help low-income families.
• Enough new sustainable revenue to achieve an education moonshot.
What’s Next

Lessons learned

• Significant policy change takes sustained investment and time.
• Need to recognize the opportunities and be nimble and adaptable.
• Use new tactics: paid social media, mailers, patch-through calls.
• Sustaining coalition efforts, relationship-building with policy makers, and working with community partners are all critical.
What’s Next

Big issues for 2020

• Continue to advocate for adequate revenue and fair tax policy.
• Improve ECE access and funding.
• Monitor and evaluate creation of ECECD.
• Improve access to federal safety-net programs.
• Expand access to affordable health care.
• Ensure a fair and accurate count in Census 2020.
• Special focus on policies to address systemic inequities.
Thank you!

A big thank you to all of our funders, donors, and fellow advocates for your support.

We couldn’t do this work without you!
We’re Recruiting!

We’re looking for a few good Board members!

Please contact:

• Executive Director James Jimenez – jjimenez@nmvoices.org
• Board Chair Patricia Rodriguez – prodriguez505@gmail.com
FRAMING THE FUTURE FOR FAMILIES

7th Annual New Mexico KIDS COUNT Conference

WED, JUNE 26, 2019 ALBUQUERQUE

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