

2019 LEGISLATIVE SESSION REVIEW

OUR POLICY PRIORITIES

- Reliable, sustainable revenue
- Increase in the Working Families Tax Credit
- Creation of a Child Tax Credit
- A fix for the child care assistance 'cliff effect'
- Increases in high-quality ECE services
- Deposit in the College Affordability Fund
- Funding for a Census complete count committee
- An increase in LICTR.
- Ensuring that out-of-state corporations pay their fair share.

COALITION POLICY PRIORITIES

- Increase in the state minimum wage
- Funding for ECE services from land grant school fund
- Funding to offset a decade of cuts to schools
- Making K-12 curriculum more culturally, linguistically relevant for NM students
- Establish and license dental therapists

WHAT PASSED



OMNIBUS TAX BILL (HB 6)

More revenue from reliable, sustainable sources

- Raises more than \$200 million in recurring revenue:
 - Adds a new top PIT bracket of 5.9% (with contingency) - **Raises \$20 million** (FY21)
 - Reduces capital gains deduction from 50% to 40% - **Raises \$10 million** (FY20)
 - Enacts mandatory combined reporting for corporations
 - Taxes all Internet sales
 - Reforms hospital tax - **Raises \$93 million** (FY20)



IMPROVEMENTS FOR FAMILIES (HB 6)

- 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.



DEPOSIT IN THE COLLEGE AFFORDABILITY FUND (HB 127)

- **\$25 million** one-time appropriation.
- Awards increased from \$1,000 to **\$1,500** per semester.
- Disbursements increased to **\$3 million** each year



INCREASE IN THE STATE MINIMUM WAGE (SB 437)

- From \$7.50 to **\$9** an hour in 2020.
- Up to **\$12** an hour by 2023.
- Small increase for tipped workers.
- Student wage of \$8.50/hour, *does not increase*.
- *Not indexed to rise with inflation.*



✓ ESTABLISH AND LICENSE DENTAL THERAPISTS (HB 303)

- 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.

✓ CREATION OF EARLY CHILDHOOD EDUCATION AND CARE DEPARTMENT (ECECD) (SB 22)

- Four ECE programs under one roof:
 - NM Pre-K
 - Child Care Assistance
 - Family, Infant, and Toddler (FIT)
 - Home Visiting
- **\$1.25 million** appropriated (FY20)

✓ K-12 EDUCATION

- **6%** salary increases for public school employees.
- Increased minimum salary levels.
- Increased funding for K-5 Plus and extended learning time.
- Increases in at-risk factor in funding formula.
- **~\$450 million** in new appropriations for K-12 education (19% increase).
- Professional development and training for teachers who serve diverse populations in order to meet the needs of our culturally and linguistically diverse students.

✓ GENERAL FUND BUDGET (HB 2 AND OTHER APPROPRIATIONS BILLS)

- Medicaid fully funded; Medicaid buy-in study funded.
- Housing trust fund increases.
- **\$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**.
- Developmental disabilities 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' (HB 160) or significant increases in child care or home visiting funding (HB 2).
- Constitutional amendment for greater funding for ECE services from land grant school fund (HJR 1).
- Make K-12 curriculum more culturally, linguistically relevant for NM students (HB 159; HB 182; HB 394).
- A new Child Tax Credit that would help low-income families (HB 18).
- Enough revenue to support an education moonshot (HB 2).
- Increase in the CIT (HB 247).
- Increase in LICTR (HB 365).

