The Legislature is scheduled to meet on June 18 for a special session to deal with the financial impacts of the COVID-19 pandemic and economic downturn. With many unknowns – including the trajectory of the pandemic, how rapidly the economy will get back up to speed, what will happen with oil prices, and what further action Congress may take – lawmakers should not rush to make major structural changes to the budget. It would be wise to approach the special session with the goal of getting the state in a position to meet its obligations until legislators convene in a regular session in January 2021, when we will know more and be able to make better informed changes to the budget and to diversify New Mexico's sources of revenue. Our policy priorities for the special session and beyond include:

INVEST IN NEW MEXICO CHILDREN, FAMILIES, AND WORKERS

During and beyond the COVID-19 crisis, it is important that New Mexico families have access to the early childhood, education, economic, and public health programs that can help families thrive. As we know from the last recession, we cannot cut our way to prosperity, and our state's unwillingness to adequately pay for these essentials between 2010 and 2018 drove New Mexico to ranking worst or near-worst in the nation in child poverty, childhood food insecurity, and education. It also slowed our economic recovery. New Mexico needs to continue investing in the programs that create opportunities for our children and families and keep people employed. The state should:

- Avoid budget cuts that harm families, children, and workers, and protect progress made in 2019 and 2020 in K-12 and higher education funding, early childhfood education and care expansion, and health system improvements that not only help build skills and provide opportunity for kids and families, but that also keep workers employed throughout the state.
- Put money in the hands of New Mexicans who will spend it quickly and locally by: increasing and expanding tax credits and rebates

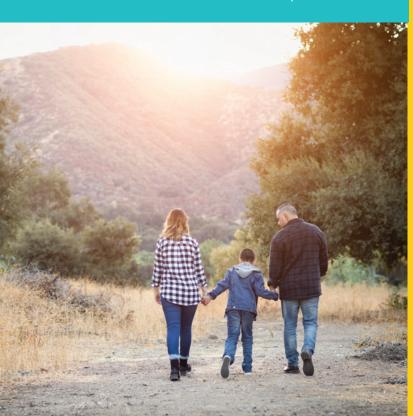
- for New Mexico families in need; expanding eligibility and funding for the General Assistance Program to all residents who meet income qualifications regardless of immigration status; and creating an unemployment insurance program for those workers not eligible under federal rules.
- Ensure all New Mexicans can meet the basic needs of their families by: creating a basic health plan or Medicaid buy-in plan that is available to all residents, regardless of immigration status; expanding food security resources by increasing the state SNAP supplement and expanding the SNAP supplement to provide a minimum benefit for families who do not qualify for federal SNAP, but are financially eligible; eliminating TANF work requirements and increasing benefit amounts; restoring the unemployment insurance cuts made to the dependents of laid-off workers; and ensuring a food tax is not reinstated.



ENSURE NEW MEXICO HAS ADEQUATE FINANCIAL RESOURCES

New Mexico's state and local governments are facing enormous costs in containing, treating, and responding to the current public health emergency at the same time that tax revenues are falling with the economic downturn that has followed the pandemic. Falling and fluctuating oil prices bring additional uncertainty and decreased revenues from the oil and gas sector. In order to prepare and plan for falling revenues, the state should:

- Utilize all available federal COVID relief funding by pushing for increased federal relief for the state and for local governments, pushing for flexibility in spending those funds, and using federal funds in ways that maximize relief for New Mexicans who need it the most.
- **Utilize reserve funds** as needed to fill in budget shortfalls to prevent program cuts and keep New Mexicans working.
- Protect existing revenues and, if necessary, raise revenue by: not enacting more tax cuts for those who don't need them; repealing past ineffective tax breaks to corporations and the wealthy; and considering new revenue options such as a health insurance premium tax that would go to supporting health care, education, and other vital programs that New Mexicans need now and after the COVID-19 pandemic.





SAFEGUARD TRANSPARENCY AND ACCESS TO THE POLICY-MAKING PROCESS

In order to provide the opportunity for all New Mexicans to observe and participate in the policy-making process, even while tackling new challenges related to social distancing, the state should:

- Ensure transparency in Special Session policy-making by: releasing budget proposals at least ten days in advance of the special session; announcing hearings and sessions at least 24 hours in advance; webcasting all hearings and floor sessions; and ensuring that there is a process for obtaining public input on proposed legislation and budget changes
- Ensure language access for non-English speakers regarding policy changes and how and when to apply for existing and new relief programs.

For more information, visit our website at www.nmvoices.org.