



A Land of Enchantment for All New Mexicans

The VIDA Project

Village Investment and Development Action

Goal of VIDA:

A strong New Mexico inclusive of all communities

Steps to Success:

- 1. Identify and eliminate statutory and regulatory barriers to assure that public resources flow to the smallest and most fragile communities, incorporated or unincorporated.
- 2. Create and support a micro-planning, bottom-up process requiring community involvement.
- 3. Commit to statewide, long-term investment and base funding for communities, including those suffering disinvestment and neglect.
- 4. Assure that critical infrastructure, services and amenities leave no community behind.

Extending Services to the Kitchen Table

- The NM demographic data is the “why” - a documentation of the sad social disparities that this Task Force has committed to address.
- The overlap of food deserts and banking deserts.
- The lifelong financial harm among unbanked and underbanked New Mexicans.
- Potential negative impacts resulting from federal and state cash assistance and the outdated Federal Poverty Level (FPL) aka The Cliff.
- NM Rural Equity Ombud creates an independent place of representation - outside of politics – available to all groups whether they have a relationship with their own or other legislators. Whether or not they ever testify to the Legislature.

PROBLEM STATEMENT:

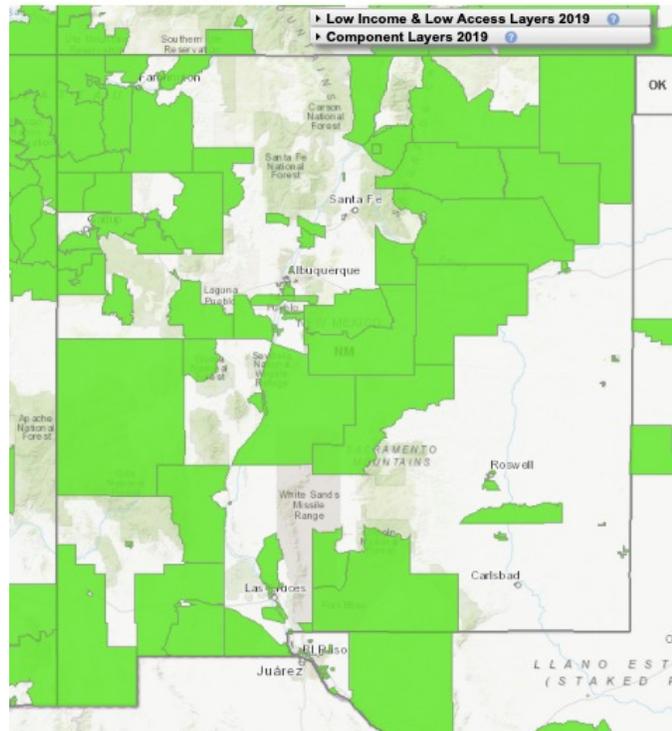
Recognizing that categorical funding at both the federal and state levels too often forces states, counties, communities and programs to compete against each other for limited resources.

Creative and holistic problem solving is key to the future.

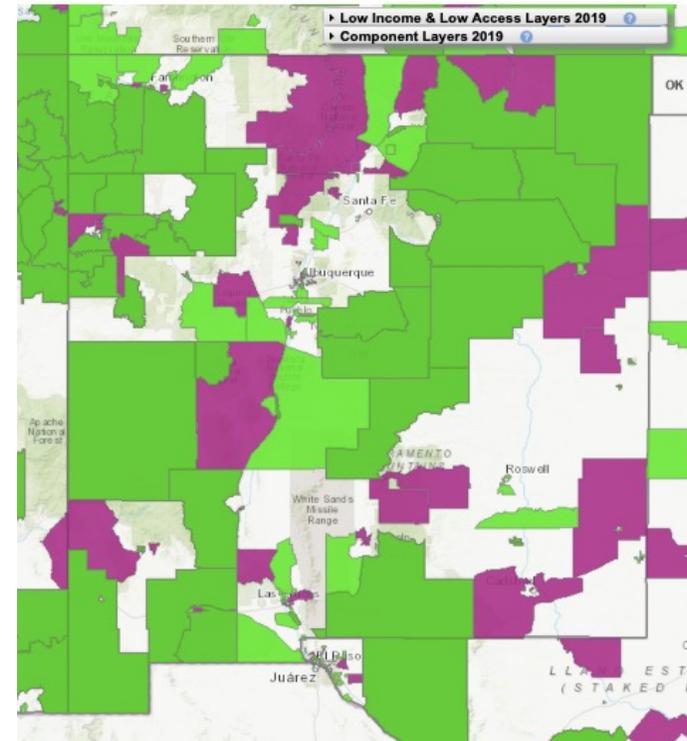
Access to Food/Food Deserts

Census Data

Low Income + Low Access

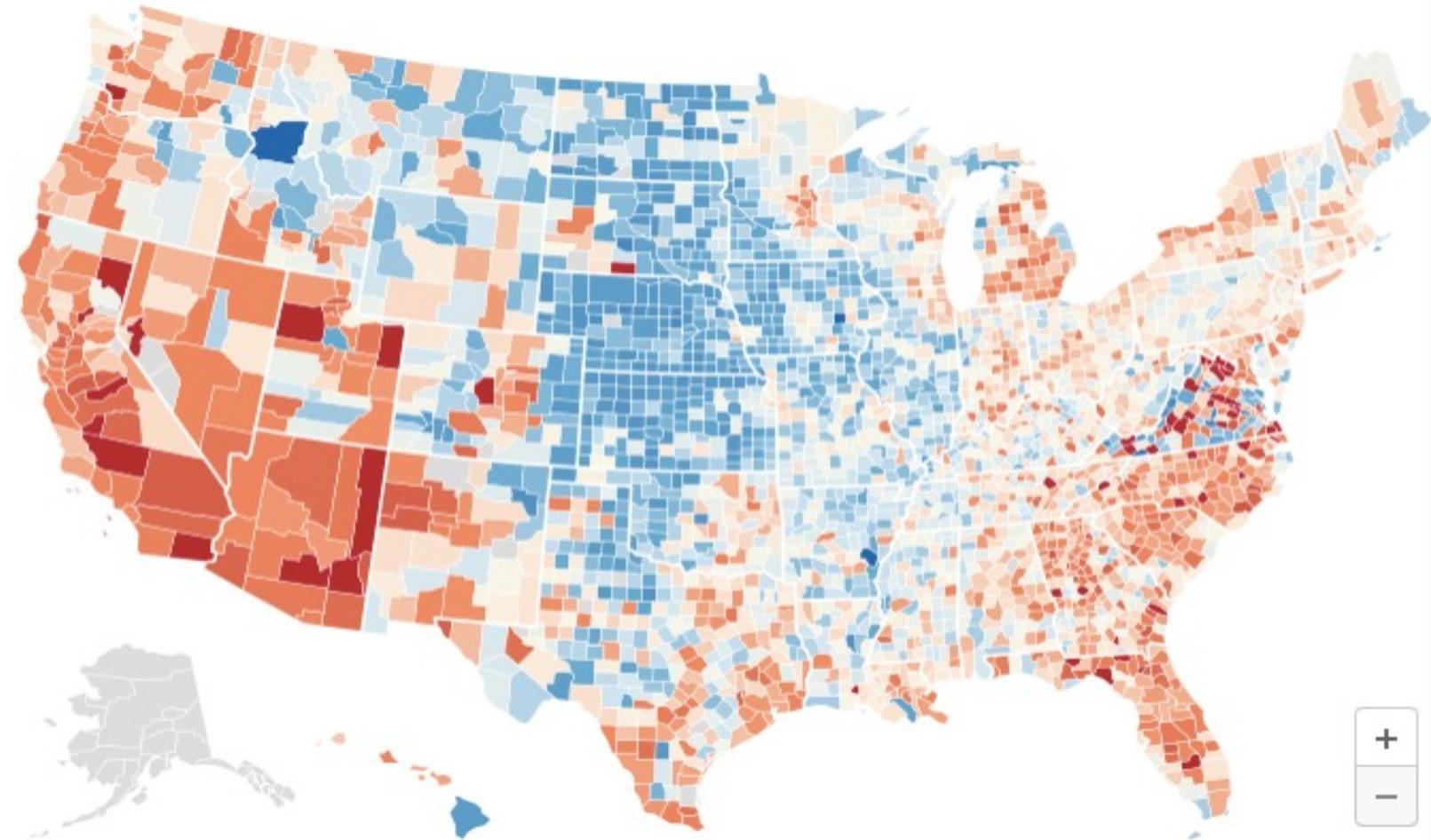


Low Income + Low Access + Low Vehicle Access



The Southwest has the Worst Access to Bank Branches, Forcing Many to Turn to Alternative Financing

People sharing 1 bank branch



2021 - FDIC insured bank branches

Map: Jeremy Ney @AmericanInequality • Source: FDIC • [Get the data](#) • Created with [Datawrapper](#)

Being unbanked over the course of a lifetime, can cost up to \$40,000 just in fees.

St Louis Fed identified 1,055 potential banking deserts in 2014, of which 204 were in urban areas and 851 in rural areas.

The urban areas had a combined population of 2 million, while the rural areas had a combined population of 1.9 million.

	US	NM
Unbanked	27.4%	36%
	20.5 million people	76,000 households
Underbanked	50 million	216,000 households

<https://www.jec.senate.gov/public/index.cfm/democrats/2018/4/consumer-corner>

People without bank accounts and/or living in banking deserts have a hard time getting ahead.

Small businesses in banking deserts often have more difficulty accessing capital.

Unbanked Individuals are affected in long lasting ways:

- 20 percent less likely to have a credit report,
- credit scores are 7 to 10 points lower and
- delinquency rates are 2 to 4 percent higher.

The overall effect on their credit score from being unbanked is equivalent to the impact of reducing annual income by \$6,000.

Distressed Community Index (DCI)

NM = 37% Distressed and 12.3% Prosperous

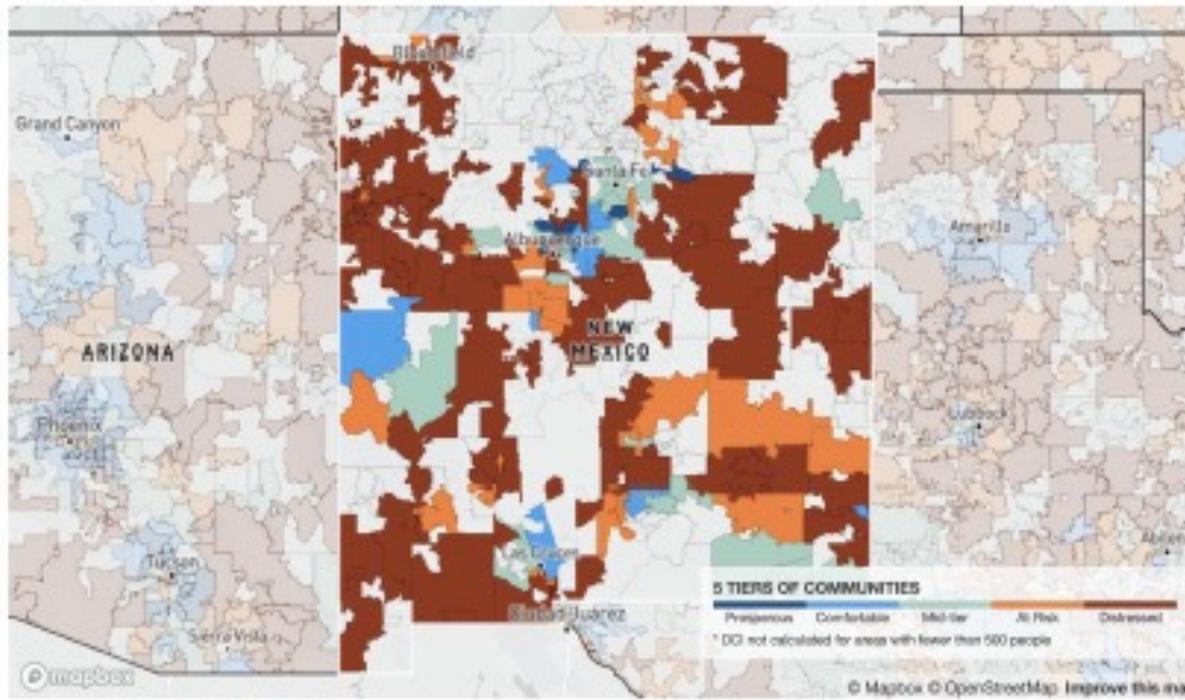
5 TIERS OF COMMUNITIES

- Prosperous
- Comfortable
- Mid-tier
- At Risk
- Distressed

IMPORTANT: DCI not calculated for areas with fewer than 500 people

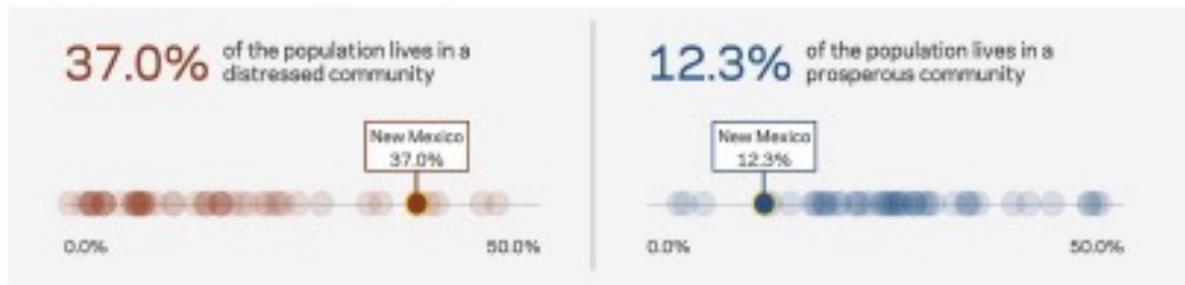
This searchable map has selections for race/ethnicity, occupation, education, and nativity (born in the US or foreign born).

Source: Economic Innovation Group <https://eig.org/dci/interactive-map?path=state/NM>



DESIGNED & BUILT BY **Graphicacy**

Distribution of population



Demographic distribution



THIS IS NOT OK AND IT IS ALSO NOT NEWS
 NM Tribes, Pueblos, and Urban
 American Indian/Alaska Native
 74.2% Distressed and 10% At Risk

What is poverty and who decides?

Its time for the FPL, an artifact of the 1950's to go away

- 1955 Household Food Consumption Survey found that for families of three or more persons, the average dollar value of all food used during a week (both at home and away from home) accounted for about one third of their total money income after taxes.
- The Census Bureau determines poverty status by using an official poverty measure (OPM) that compares pre-tax cash income against a threshold that is set at three times the cost of a minimum food diet in 1963 and adjusted for family size.
- “three-times-the-cost-of-the-food-plan” calculation was done only once, for the 1963 base year poverty thresholds, using the Agriculture Department’s economy food plan. Poverty thresholds for years since 1963 have been updated for price changes only using the Consumer Price Index.

Key problems with the FPL, official poverty measure.

- Uses a “headcount” approach which identifies people who fall below the poverty threshold, but not the depth of economic need.
- Does not reflect modern expenses.
- Excludes significant draws on income such as taxes, work expenses, out-of-pocket medical expenses, telephone and internet.
- Does not vary for geographic differences in cost of living.
- Its strict definition of measurement units—“family”—as persons living in the same household who are related by birth, marriage, or adoption.
- Needs to reflect the nature of many households today, including families made up of cohabitators, unmarried partners with children from previous relationships, and foster children.

Source: Institute for Research on Poverty, University of Wisconsin

Subminimum Wages Must Go

Most NM workers in tipped industries do not earn a living wage or even the NM minimum wage.

Recommendation:

NM should become the 9th state to pass one statewide Minimum Wage where the tipped minimum wage equals the regular minimum wage.

New Mexico

Minimum wage

\$10.50

Tipped wage

\$2.55

Most recent increase

\$2.35 to \$2.55, effective January 1, 2021

Most recent major change to tipped wage law

2019, by legislation

Upcoming increases

\$2.80, effective January 1, 2022

\$3.00, effective January 1, 2023

Notes

n/a

Areas with different minimum wages

Albuquerque Bernalillo County

Las Cruces Santa Fe City

Santa Fe County

New Mexicans are Hard Workers

- About 80% of working age adults on Medicaid live in families with at least one person working.
- 75% of SNAP recipients work.
- Poor people on TANF and other assistance programs, such as Medicaid and SNAP, work at least some of the time or want to work but can't afford to.

New Mexicans are ready to move forward.

- Develop pilot programs for sharing resources with unincorporated areas or clusters of unincorporated areas.
- Study innovations from other states, like Alaska, which recently enacted a new program to fund nonprofit organizations when they are the sole lead entity in a community.
- Look at ways to direct resources to public-serving communities where 3 or more organizations led primarily by volunteers, are creating and maintaining infrastructure. For example, MDWCA, Fire and Rescue/EMS, libraries and community centers, acequia and others.
- Create ways for NM to provide administrative and financial services to public-serving communities.