

1 SENATE JOINT MEMORIAL 4

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026**

3 INTRODUCED BY

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10 A JOINT MEMORIAL

11 REQUESTING THE GOVERNOR TO SUBMIT AN ADVANCE ELECTION TO
12 PARTICIPATE IN THE FEDERAL EDUCATION FREEDOM TAX CREDIT
13 PROGRAM.
14

15 WHEREAS, on July 4, 2025, the allowance of credit for
16 contributions of individuals to scholarship granting
17 organizations, also known as the federal education freedom tax
18 credit, was enacted pursuant to 26 U.S.C. Section 25F, as added
19 by Section 1201 of Public Law 118-234, creating the nation's
20 first federal scholarship tax credit program; and

21 WHEREAS, starting in 2027, taxpayers can claim up to one
22 thousand seven hundred dollars (\$1,700) in dollar-for-dollar
23 tax credits for donations to nonprofit scholarship granting
24 organizations that award scholarships to kindergarten through
25 twelfth grade students, with a focus on supporting low-income

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1 families and students with special needs; and

2 WHEREAS, the federal education freedom tax credit provides
3 for the flexible use of scholarships covering expenses for
4 tuition, fees, academic tutoring, special needs services in the
5 case of a special needs beneficiary, books, supplies and other
6 equipment that are incurred in connection with the enrollment
7 or attendance of the designated beneficiary of the trust as an
8 elementary or secondary school student at a public, private or
9 religious school; and

10 WHEREAS, this historic initiative can expand educational
11 freedom nationwide at no cost to state budgets and without new
12 regulatory burdens, empowering families in need to access
13 tailored educational opportunities that address barriers to
14 equity and success; however, scholarship granting organizations
15 can only receive donations in states that formally opt into the
16 federal education freedom tax credit program; and

17 WHEREAS, if states do not elect to participate in the
18 program, donors who wish to claim the federal tax credit may
19 direct their charitable contributions to scholarship granting
20 organizations in other participating states instead, and as a
21 result, students and families in nonparticipating states,
22 particularly those from underserved communities, may miss out
23 on new educational opportunities funded by private donations;
24 and

25 WHEREAS, the decision to participate in the federal

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1 education freedom tax credit program rests entirely with the
2 governor of each state, requiring no legislative action and
3 offering a straightforward path to enhance support for
4 vulnerable families; and

5 WHEREAS, governors across the political spectrum,
6 including in neighboring states Texas and Colorado, recognize
7 the federal education freedom tax credit as a bipartisan path
8 to educational equity, offering critical support for students
9 who have historically faced barriers to opportunity; and

10 WHEREAS, by opting into this program, New Mexico would
11 affirm its commitment to prioritizing families in need,
12 signaling to scholarship granting organizations, entrepreneurs
13 and charitable donors that the state is dedicated to expanding
14 educational opportunities for all children, fostering economic
15 prosperity and closing achievement gaps without diverting funds
16 from public schools; and

17 WHEREAS, delaying this decision may cause charitable
18 contributions to be sent to other states that act more quickly,
19 where public support for participation in the tax credit
20 program is strong and bipartisan; and

21 WHEREAS, recent national polls, including those from
22 nonpartisan organizations like yougov and the American
23 federation for children, show that approximately seventy
24 percent of registered voters nationwide, including majorities
25 of Democrats, Republicans and Independents, want their state

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1 governors to opt into the federal education freedom tax credit
2 program, with a plurality calling for immediate action to
3 benefit families; and

4 WHEREAS, among poll respondents with school-age children
5 at home, nearly eighty percent stated they are likely to apply
6 for a scholarship if given the chance, highlighting the
7 program's potential to directly aid working families and
8 promote inclusive access to quality education;

9 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
10 STATE OF NEW MEXICO that, in consideration of the significant
11 public importance of supporting the availability of educational
12 scholarships in New Mexico, especially for low-income and
13 special needs students, the simplicity of the opt-in process
14 for the federal education freedom tax credit program and the
15 once-in-a-generation opportunity this program presents to
16 advance equity and family support without impacting state
17 resources, the governor be requested to submit an advance
18 election to participate in the program as soon as possible; and

19 BE IT FURTHER RESOLVED that a copy of this memorial be
20 transmitted to the governor.