

December 14, 2017

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Chairwoman Stewart and Members of the Legislative Education Study Committee:

Please accept this letter in lieu of oral comments during LESC Agenda Item #6 on Tuesday, December 19, 2017.

Crafting cogent and effective education policy while balancing the needs of our public education system is a challenging feat. Coupled with a budget which cannot fund every worthy program or policy only raises the stakes for New Mexico's students, educators, and places of learning.

Through that lens, I want to first open this letter by saying thank you for continuing to prioritize the needs of our students and educators, and under the leadership of Chairwoman Stewart, we are pleased to see the direction that the LESC is headed with its focus on the groundbreaking report by the National Conference of State Legislatures, *No Time to Lose*.

Enclosed with this letter is a copy of AFT NM's 2017 policy platform: A World-Class Education System: Beyond the Factory. In our policy platform, we call for a cessation of 'silver bullet' solutions, increased standards and professional expectations for educators, a return to real career and technical education, meaningful adoptions of best international practices, and an increased effort to align reforms in order to ensure our scarce dollars are best utilized.

If these themes seem familiar, it is because our union adopted the recommendations of *No Time to Lose* as a framework for a 21st century education model in New Mexico at the end of 2016. We are extremely pleased to see that both the LESC in its *Public Schools Joint Accountability Report* and the LFC in its *Longitudinal Student Performance Analysis* have come to similar conclusions, recognizing there is a different way forward for our New Mexico public schools and perhaps a better application of our funding. For years, our union has underscored the need to deeply understand how persistent poverty, high levels of student mobility, English language skills, and trauma impact our students' abilities to learn, grow, and thrive in our public schools, and we are encouraged to see these themes explored in the aforementioned reports. Certainly, none of these barriers completely prevent a student from learning, but a better understanding of these issues can make the difference for a student who is just getting by, and instead, help them to excel in learning.

While our policy platform is forward thinking in education reforms for our State, and the work of the LESC is critical for moving our public education system forward, we must work diligently together as partners to address some of the systemic issues impacting our public schools.

Among these issues are the vast amounts of vacancies in our teaching ranks, especially those serving high needs populations, vacancies in our rural, hard-to-staff schools, educator compensation and morale, implementing fair and meaningful evaluations, and elevating our discourse around the profession of teaching. Tackling these issues head on will surely help to create a public education system in our state where educators are best equipped to serve students at every level, meet the expectations of parents, and strengthen the communities in which we work and live.

While I am disappointed I am not able to deliver this message to you in person at this hearing, please rest assured I will be fully available during 2018's legislative session to work hand in hand with each of you as a partner in creating the public education system our students deserve.

Thank you for the work each of you do in lifting up public education in our State, and we commit to continuing our relationship with each of you in the coming session.

Sincerely,

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Stephanie Ly President, AFT NM



A World-Class Education System Beyond the Factory



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A World-Class Education System: Beyond the Factory

Our vision for the future of public education in New Mexico extends beyond our classrooms, schoolyards, and places of learning; it permeates our communities. This vision, based on the collective wisdom of educators, not only encourages students to become creators and innovators, but is also pragmatic in its approach. It acknowledges shared responsibility and the fact that our state's social and economic challenges are inextricably linked with our desire to create a robust public education system (Early Education through Higher Education) that serves the needs of all students.

As New Mexico's educators, we are ready to move past the antiquated age of factory-style schooling and embrace a future-oriented, birth-to-college educational system—one in which our students' cultural, linguistic and familial knowledge helps us create a truly enriching educational experience.

Our system of education was invented more than a century ago when a diploma was not necessary to get a repetitive industrial job, and for many students, higher education was not even a consideration. Over the past 100 years, our country has made incredible gains. We've seen our standard of living rise, had huge productivity gains in industry, witnessed the nature of jobs change, and learned how to celebrate diversity and embrace difference. We now know that active, brain-based learning is the most effective teaching method. Our birth-to-college education system, however, has yet to catch up. For years, policymakers have attempted to retrofit our system for modern times—often scapegoating educators, students and their families. We must collaboratively usher in a new model.

The world is calling for graduates at all levels who not only are creative, but also able to adapt to a rapidly changing environment. Our current and future workplaces need students to graduate with 21st-century conceptual thinking abilities, such as:

- Design, evaluate, and manage one's own work so that it continually improves.
- Frame, investigate and solve problems using a wide range of tools and resources.
- Collaborate strategically with others.
- Communicate effectively in many forms.
- Find, analyze and use information.
- Develop new products and ideas.¹

How Do We Get There? Creating A World-Class Education System

To meet this challenge, our education priorities must focus on three key areas: innovation, excellence and equity. We must address each simultaneously; excellence without equity merely reinforces privilege. Policies that support our educators, students and parents must be created with these priorities in mind.

Students and educators must be free to be innovators, to pose rich questions about our world and have the freedom to explore these areas without the threat of failure. Building this fearless approach to educating students Imagine the opportunities that today's students will experience as they embark on their future lives and careers: unprecedented access to information, myriad new ways to express their creativity, effortless global connectivity, and academic choices and careers we can't yet envision.

How Deeper Learning Can Create a New Vision for Teaching, The National Commission on Teaching & America's Future, ConsultEd, 2016



will help us to transition from factory-era education to a modern education system that delivers instruction and instills the love of learning in our students. This means recruiting and retaining educators who are equipped with the diverse and innovative skills that we aspire to share with our students. It means trusting educators as experts in their field. And it means recognizing and honoring multilingualism, creativity, critical thinking and problem-solving as 21st-century skills necessary for our technology-driven economy.

We also must prioritize equity. For generations, our education systems have viewed many students and their families in a deficient manner. As part of transitioning away from an antiquated system of schooling at all levels, policies must support the experiences and talents students bring with them to the classrooms and places of learning without overlooking their concrete needs and the challenging realities their families often face. Our policies must ensure that all students receive the necessary support and wraparound services they need to succeed, including healthcare, social-emotional services, nutrition and counseling.



Prioritizing equity means building a world-class public education system from cradle to career that includes equitable access to high-quality early, elementary, secondary and postsecondary education. It means creating student-centered places of learning and having asset-based views of students and their families. In short, in a well-resourced, equitable and diverse educational system, success is no longer predictable based on race, ethnicity or socio-economic status.

How do we prepare our students for a world we can't imagine? We attract and retain professional educators and support them to create learning environments focused on inquiry, discovery and creativity.

Our education system is meant to serve the collective good and create the kind of society we want to live in and our students deserve. The policy recommendations in this book have been created with this in mind. They include recommendations for our early childhood education system (Section 1), our K-12 schools (Section 2) and our higher education system (Section 3). Combined with a fair tax revenue system (Section 4) and respect for labor rights (Section 5), New Mexico can meet the future with confidence.

Legislative Action

The Legislature should-

- Develop a 10-year investment strategy to ensure all children in New Mexico have access to affordable, high-quality, publicly funded early learning and care starting at birth and that no family pays more than 10 percent of its income in child care costs.
- Enact legislation that allows school districts to partner with community-based early learning centers for the provision of high-quality early learning from birth to kindergarten entry.
- Enact legislation to establish a department of early learning that will fund and oversee all pre-K programs, manage the child care subsidy contract program, and work to improve early childhood workforce development.

1. Early Childhood Education and Care

Need for Investment

If all children in New Mexico had access to high-quality early learning and care from birth through kindergarten entry, they would arrive at school ready to learn. Research shows that learning does not begin in kindergarten; brain development is most rapid in the first years of life. Findings from the National Institute of Child Health and Human Development's study of early child care demonstrated that children who were in high-quality care from birth through 54 months scored higher in language, reading and math than their peers who were in consistently low-quality care.² Those who attend pre-K do better in school and are less likely to need special education services or have to repeat a grade, and are more likely to graduate from college and maintain stable jobs and families.³ Despite all the good that public spending on high-quality early learning can do, far too few New Mexico children have access to it.

New Mexico's current pre-K system is a patchwork of poorly funded elementary schools and very poorly funded community-based centers that only serve 51 percent of 4-year-olds and no 3-year-olds.⁴ The per-pupil reimbursement rate for community centers is significantly less than it is for elementary schools, and neither rate exceeds \$5,000.⁵ The top publicly funded programs in the nation with full day hours and high-quality standards spend \$10,000 to \$15,372 annually per pupil.

And the state's child care subsidy program is inadequately funded with subsidies that do not remotely cover the full cost of care. The resources available for infant and toddler child care seldom include essential wraparound services, like dental, vision and health screenings or programs to meet advanced quality standards.

Recent state spending increases on the child care subsidy program are welcome, but they do not go far enough.⁶ In 2016, New Mexico Voices for Children showed that early childhood education and care received only 1.5 percent (\$930,000) of the state's \$6.2 billion general funding budget for fiscal year 2017—a very small increase from \$667,000 in FY2013.⁷ Investing more in the early years of childhood development is critical for a state that ranks 49th in child well-being.⁸

Lawmakers should also take advantage of funding opportunities within the federal Every Student Succeeds Act (ESSA), and ensure the state applies for a pre-K development grant when the grants are announced. ESSA includes pre-K development grants that are specifically targeted to help states grow their pre-K programs in ways that increase coordination among existing programs and enable smooth transitions to kindergarten. School districts and community-based child care centers are primed to work together, but the current bureaucratic structure prevents it. Two separate state agencies provide funding, but neither provides pathways for partnerships between neighborhood centers and elementary schools.

Families

The high cost of high-quality early childhood programs hurts New Mexico families. Infant care in New Mexico costs 33 percent more per year than in-state tuition for four-year public college. Combined, child care for an infant and a 4-year-old costs more than rent in 80 percent of small towns and urban areas in New Mexico. According to the U.S. Department of Health and Human Services, if a family is paying more than 10 percent of its income on child care, it is unaffordable. By this standard, only 32.9 percent of New Mexico families can afford infant care.⁹ New federal laws will force the state to issue yearlong subsidy contracts that will help stabilize care for low-income kids by ensuring that contracts cannot be terminated when a parent picks up a shift at work or loses a job and is trying to find another. But cost will remain an issue for working families.

At New Mexico's current funding level, half of the early learning centers in the state are unaffordable for low-income parents with a toddler working full-time, even with a subsidy contract. Those with a 4-year-old could only afford 31 percent of the centers using their subsidy.¹⁰ Unless the state addresses cost, high-quality early childhood programs will remain out of reach for most working families.



Legislative Action

The Legislature should immediately increase child care subsidy contract funding so that more low-income families are served and subsidies are robust enough to pay for high-quality early learning and care.



Early Childhood Workforce

The early childhood workforce is chronically underpaid. According to a 2015 study, New Mexico child care workers' median average hourly wage was \$8.83.¹¹ In three out of four New Mexico metropolitan areas, more than 90 percent of child care workers cannot afford the basic cost of living.¹² Typical child care workers in New Mexico would have to spend 43.3 percent of their earnings to put their own child in infant care.¹³

Legislative Action

The Legislature should—

- Ensure that early childhood educators working in early learning programs funded by the state have access to career pathways that provide compensation and benefits comparable to their similarly qualified K-12 counterparts.
- Aggressively fund, with state and federal dollars, higher education and professional development opportunities for early childhood educators working in community-based programs.

High-quality programs cannot be built on the backs of a low-wage workforce. Because of low wages, educators are leaving the workforce in droves, which drastically undercuts the quality of early learning provided. For decades, research has documented the negative impact that the high turnover rate for early educators has on the children they teach and care for.¹⁴ The lack of public funding has additional consequences. Since 2010, at least 150 early childhood education centers in New Mexico have closed their doors. Without public funding that reflects the true labor cost of providing high-quality early education and care, centers will close.

Research shows us that the educator in the room is the most important factor in good early learning programming. Early childhood educators need a robust professional development program that enables them to grow in their jobs and develop as professionals. Due to limited funding, the New Mexico Children, Youth and Families Department estimates that its Training and Technical Assistance Program serves only 10 percent of the early childhood educators in the state.¹⁵ The federal Every Student Succeeds Act includes funds for joint professional learning opportunities that can bring together early childhood educators in community-based centers and schools, school administrators, teachers and paraprofessionals. The state should utilize opportunities in ESSA to promote professional development opportunities for early childhood educators that allow collaboration across settings. New Mexico cannot build a high-quality early learning workforce without a worthy wage and access to the professional development necessary to seek higher qualifications.



2. K-12 Education

A K-12 education system for the 21st century means that the state invests in its public education system; fosters schools that serve the whole child; and respects educators' voice, autonomy and expertise. The passage of the Every Student Succeeds Act means that the state has a rare opportunity to reassess its current educational system. The Legislature and other stakeholders should take advantage of this opportunity to give New Mexico children the schools they deserve.

Greater Investment in Education

New Mexico has a tradition of seeing that equitable resources are provided for its children's education. The state relies less on local dollars to fund schools than any other state except Hawaii and Vermont.¹⁶ As a result, children in our poorest communities are more likely to have an equal share of our educational resources than are low-income children in other states.

This is a proud tradition, but even the most equitable distribution of funds is not enough when the level of funding is inadequate to the need. In past years, New Mexico, like many other states, could have done a better job of investing in certain areas, particularly early childhood education. The American Institutes for Research, for example, found that New Mexico needed to increase funding by 14.5 percent to achieve an adequate and equitably financed system of public education.

The AIR report was issued in January 2008, but thanks to the Great Recession, a growing population and the expiration of enhanced funding for education from the state's permanent fund, the situation has become even worse; the state is now doing far less to meet the needs of our children, even though those needs are rising precipitously. Public school enrollment has steadily risen to more than 330,000, and a larger percentage of those children are now living in poverty. New requirements under the Every Student Succeeds Act obligate the state and school districts to review district and school-level budgeting to identify resource inequities.¹⁷ This is a time when New Mexico needs to invest more in its children. State funding, however, only recovered to its 2009 level in 2015 and has yet to return to its 2008 level on a per-pupil, inflation-adjusted basis.¹⁸ According to the Center on Budget and Policy Priorities, New Mexico has cut per-pupil state aid, when adjusted for inflation, by 10.7 percent since 2007, the 13th-highest cut in state aid in the country.¹⁹ Because New Mexico relies so much on state aid, its cuts on a dollar-per-pupil basis are much harsher than in other states. And the increase in "below the line" money-education dollars that are not distributed under the state aid formula but instead earmarked for specific programs-from \$39 million in 2009 to \$101 million in 2016 has not helped local school districts tackle what they determine are their priorities. To keep pace with projected inflation and enrollment growth, New Mexico would need to increase general fund spending by \$74 million in 2018, \$72 million in 2019 and \$76 million in 2020. To meet the AIR report's recommended 14.5 percent increase to make the system "equitable and adequate," funding would need to be increased by \$400 million next fiscal year.²⁰

Legislative Action

The Legislature should restore funding to pre-recession levels; ensure adequate funding for areas of high poverty; provide full funding for the Indian Education Act, the Hispanic Education Act, the Bilingual Multicultural Education Act and statutorily required mentorship programs; and ensure adequate funding to coordinate wraparound services for community schools. An increased investment in traditional public schools should also be paired with a close examination of state spending on charter schools. A report by the Legislative Finance Committee concluded that brick-and-mortar charter schools perform just as well as traditional public schools and spend more per student then traditional public schools. Charters have received 46 percent of state funding increases since 2007, while serving only 7 percent of students in the state. Virtual charters have an average of 41 students per teacher and have "not demonstrated cost effectiveness" despite having significantly lower overhead expenditures.²¹

The committee wrote, "Charter schools dilute the amount of state money available to all public schools through size adjustment program units, enrollment growth, transportation funding, and overall cost per student."²² Unchecked growth of charter schools ignores the destabilizing impact continued charter growth could have on the state's public education system. Moody's Investors Service, the bond rating agency, issued a report warning that "charter schools pose the greatest credit challenge to school districts in economically weak urban areas."²³

Recognizing the destabilizing effect that charter schools have on public schools, the NAACP passed a resolution at its convention this year that calls for a freeze on the growth of charter schools. This resolution represents the organization's strongest language to date, with the NAACP identifying the unregulated growth of charter schools as a problem and noting that it's time to pause and take stock.

And, when the Movement for Black Lives released its first policy agenda in July, it took a stand in favor of a moratorium on both charter schools and public school closures. Acknowledging that charter schools represent a shift of public funds and control to private entities, the Movement for Black Lives organizers made a demand for increased investments in traditional public schools.

Charter schools, if done right, can be part of a reform strategy, but charter schools should not undermine traditional public schools.



Legislative Action

New Mexico should pause and, as the Legislative Finance Committee suggests, analyze the impact of increasing charter school enrollment on the state's budget.

Schools That Serve the Whole Child

Education should enable children to thrive in all aspects of their lives. Meeting the needs of the whole child means having well-rounded curricula available to all students, including those who come from our poorest communities, are English language learners or have special needs. New Mexico must invest to ensure that all schools have fine arts and vocational classes for high school students. The state also should ensure that all schools have the resources and tools—like a well-stocked library and the latest in technology equipment—they need to implement a well-rounded curriculum. Student needs go beyond curriculum and materials. A statewide commitment advancing strategies like community schools that meet a wide range of student needs, as well as the restorative justice practices and efforts to combat chronic absenteeism, will ensure that all students benefit from a world-class education system. The Every Student Succeeds Act provides new opportunities to harness strategies that work.

Community Schools

To help every student succeed, the state should expand its support of community schools. It is clear, based on research and the real experiences of our educators, that New Mexico must address the needs of the whole child. No matter how rigorous the instruction, if a child has social-emotional and physical/mental health needs that are unmet, he or she will not be able to learn.

Education researcher Linda Darling-Hammond argues that individual teachers may account for only about 7-10 percent of overall achievement. Meanwhile, socio-economic status usually accounts for 50-60 percent, and other school and home factors can account for as much as 10-20 percent. These factors can include challenges related to housing, nutrition, violence and gang-related activity, transportation and a host of other obstacles that communities across the country are striving to overcome.²⁴

A community school isn't just a center of education—it can become the new heart of the community. Community schools help create better conditions for both teaching and learning, and link medical, mental and social services to children and their families. They focus on creating stable environments in which teachers can teach and students can live and learn. They're places where teachers, families, community members and service providers can work together in coordinated, purposeful and results-fo-cused partnerships. These schools are open outside the regular school day and offer programs and services such as daycare, tutoring, after-school programs and adult education. Data consistently show that students who attend community schools, and who receive services, supports and enrichments, have improved academic performance as well as increased motivation and engagement in learning.²⁵ Community schools also can help curb chronic absenteeism.

Legislative Action

The Legislature should enact legislation that fully funds the state's community schools program, including ensuring the state uses significant portions of the 7 percent set aside from Title I to invest in statewide community schools. Community schools have their roots in the earliest, richest traditions of public education and are now recognized nationally in 34 states through the Coalition for Community Schools. New Mexico's community schools efforts are young, but there are several fully functioning community schools throughout the state through the ABC Community School Partnership and the Elev8 Youth Program. Continuing this trend could have great benefits for New Mexico.

Career and Technical Education

A vital part of a balanced curriculum is career and technical education (CTE) programming. The Southern Regional Education Board found 80 percent of students taking a college preparatory academic curriculum paired with rigorous CTE met college and career readiness goals, compared with only 63 percent of students taking the same academic core who did not experience rigorous CTE.²⁶ And enhanced CTE programs could help raise New Mexico's low high school graduation rates.²⁷ The average high school graduation rate in 2012 for students in CTE programs was 93 percent, compared with the national graduation rate of 80 percent and a 68.5 state graduation rate.²⁸

Career and technical education prepares students for a 21st-century economy with skills that lead to good jobs whether or not students go on pursue bachelor's or postgraduate degrees. By preparing students for good jobs, CTE will ultimately strengthen New Mexico's economy. More than 80 percent of manufacturers nationally report that talent shortages will impact their ability to meet customer demand. CTE plays a vital role in helping American businesses close the skills gap by building a competitive workforce for the 21st century.²⁹



Legislative Action

The Legislature should enact legislation that supports school district development of career and technical education programming, including ensuring the state uses federal Title II and Title IV funding allocated to New Mexico to support and deepen career and technical education programming.

Restorative Justice

Schools should be safe and welcoming. Restorative justice practices are a broad umbrella of processes that proactively build healthy relationships and a sense of community to prevent and address conflict and wrongdoing. These practices focus on repairing harm, addressing community needs, and building and sustaining healthy relationships. Types of restorative practices include restorative justice, community conferencing, community service, peer juries, circle processes, preventive and post-conflict resolutions, peer mediations and social-emotional learning. These practices are intended to complement a school's ongoing initiatives (e.g., positive behavioral interventions and supports, social and emotional learning programs) by offering alternatives to suspensions and expulsions and building a foundation for addressing issues quickly and thoughtfully.³⁰ As educators across the country partner with districts to move away from zero-tolerance discipline policies and ramp up efforts to strengthen safe and supportive schools, address conflict, improve school climate and build a positive school culture that students are connected to, the state should look to work with district leaders, teachers and parents to implement alternative, restorative approaches.

Reduced Class Size

The individual needs of students are better met when they are in small classes. This is especially true for students with special needs or students who are English language learners. New Mexico has a strong statutory requirement for keeping class sizes to a reasonable level. However, since at least 2005, schools have been granted waivers to the limit mandated by state statute. In previous school years, elementary school teachers have reported class loads of 23 to 30 students. Without a waiver, the state requires 22 students per teacher in grades 1-3 and 24 students per teacher in grades 4-6. Numerous studies confirm what teachers already know: Large classes hinder a student's ability to learn and be successful. The U.S. Department of Education identified small classes in the elementary grades as among four interventions it found to be supported by rigorous evidence.³¹ And the Tennessee STAR class-size reduction experiment found evidence that smaller class sizes lead to students being more likely to attend college, own homes and even have retirement savings later in life.³²

Educator Respect

New Mexico should embrace proven, educator-driven school reforms that will improve education in the state's 828 public schools. Policies should invest in and trust teachers as professionals and focus on equity.

An Evaluation System That Works

To retain and cultivate the teacher expertise in the state, New Mexico needs to strengthen its three-tiered licensure system. In 2003, the Legislature enacted comprehensive education reforms broadly intended to improve student achievement. Improving the recruitment and retention of a high-quality teacher workforce was a cornerstone of this effort. As a result, the state established a progressive career ladder system that links teachers' license status and a new minimum salary system.³³

Legislative Action

The Legislature should provide sufficient funding so that class sizes are reduced to the limits already set in state statute. It's now 2017. Districts are again facing high teacher turnover, and the state is losing teachers to other states and professions.³⁴ The state's system for teachers advancing through the licensure system remains unique and includes both student learning and teacher evaluations. But the licensure system's current Training and Experience (T&E) Index does not adequately recognize teachers' experience, their education and the additional responsibilities teachers take on. And the Public Education Department has forced onto teachers an ineffective and illegal evaluation system.

The Public Education Department has tried to impose its preferred but unproven teacher evaluation model on New Mexico since 2012. It has been the subject of litigation for being unlawfully imposed on teachers by the secretary designee and incorporates a flawed "value-added model" (VAM), despite broad agreement among experts that this model is not reliable or valid to use for teacher evaluation. It also puts tremendous pressure on educators to "teach to the test" because 50 percent of a teacher evaluation is based on student test scores, and ties a teacher's ability to move up levels and maintain his or her teaching license. Initial evaluations based on the Public Education Department's model left principals and educators "baffled" according to the *Albuquerque Journal.*³⁵

This data-driven system, already problematic in that it allows high-stakes testing to eclipse all else, is still riddled with errors. The types of errors found in the evaluations include teachers being rated on incomplete or incorrect test data (for example, teachers matched up to students they never taught, students given tests on subjects or levels they didn't know); teachers docked for being absent more days than they were actually gone from school, and some penalized for being absent for family or medical leave, bereavement or professional development; missing data from student surveys; and teachers rated poorly on the student achievement portion of the evaluation, even when their students had made clear progress on tests.

New Mexico should abandon its experiment with VAM, and the T&E Index should be adapted by assigning teacher attributes a weight according to a formula, similar to the way we fund public schools. The Every Student Succeeds Act ends the federal mandate on teacher evaluations; there is every reason to move to a better system of teacher evaluation that reflects stakeholder input.

A Teacher-Centered Evaluation and Compensation Framework

In a teacher-weighted formula, each Level II and Level III teacher would be weighted by a formula based on experience, additional degrees, state endorsements and additional responsibilities. This differentiates between new Level II and III teachers and experienced Level II and III teachers. For Level I teachers, the formula would ensure that these teachers focus on learning to teach well, participating in mentoring, and assessing student learning.



State funding should be aligned with the new teacher-weighted formula to support district salary structures consistent with the three-tiered licensure system. Ideally, changes would:

- Fund beyond the minimum salaries by attaching weight and compensation to experience and credentials for increases in salaries.
- Create a mechanism to get the additional funding to the school districts and their employees.

After a teacher successfully completes his or her years in Level I, this system would differentiate between new Level II and III teachers and experienced Level II and III teachers, continuing to support their development on a career continuum. The accompanying table outlines the steps a Level II teacher would be able to go through in such a system.

| Sample Steps for a Level II Teacher, Weight/Compensation | | | | | | |
|--|----------------------|--|--|---|---------------------------|--|
| Years within Level II | Bachelor's Degree | Bachelor's Degree plus 30 Credit Hours | Bachelor's Degree plus 45 Credit Hours or Master's Degree | Credential Differentials (National Board Certification, Bilingual Certification, ELS Certification, etc.) | Added Responsibilities | |
| 1-5 | \$42,000 | .15/\$48,300 | .20/\$50,400 | .10/\$4,200 | .10/\$4,200 | |
| 6-10 | .10/\$46,200 | .20/\$50,400 | .25/\$52,500 | .10/\$4,200 | .10/\$4,200 | |
| 11-plus | .15/\$48,300 | .25/\$52,500 | .30/\$54,600 | .10/\$4,200 | .10/\$4,200 | |

An updated T&E Index should be paired with an evaluation system that follows international best practices. Countries with high-performing education systems are known for having policies in place that respect and support their teachers.

These high-performing countries use evaluations as opportunities for teachers to improve, not to punish them. In her book Getting Teacher Evaluation Right: What Really Matters for Effectiveness and Improvement, Linda Darling-Hammond, the Charles E. Ducommun Professor of Education at Stanford University, lists the following criteria for an effective teacher evaluation system:³⁶

- 1. Teacher evaluation should be based on professional teaching standards and should be sophisticated enough to assess teaching quality across the continuum of development, from novice to expert teacher.
- 2. Evaluations should include multifaceted evidence of teacher practice, student learning and professional contributions that are considered in an integrated fashion, in relation to one another and to the teaching context. Any assessments used to make judgments about students' progress should be appropriate for the specific curriculum and students the teacher teaches.
- 3. Evaluators should be knowledgeable about instruction and well trained in the evaluation system, including the process of how to give productive feedback and how to support ongoing learning for teachers. As often as possible, and always at critical decision-making junctures (e.g., tenure or renewal), the evaluation team should include experts in the specific teaching field.
- 4. Evaluation should be accompanied by useful feedback, and connected to professional development opportunities that are relevant to teachers' goals and needs, including both formal learning opportunities and peer collaboration, observation and coaching.
- 5. The evaluation system should value and encourage teacher collaboration, both in the standards and criteria that are used to assess teachers' work and in the way results are used to shape professional learning opportunities.

- 6. Expert teachers should be part of the assistance and review process for new teachers and for teachers needing extra assistance. They can provide the additional subject-specific expertise and person-power needed to ensure that intensive and effective assistance is offered and that decisions about tenure and continuation are well grounded.
- 7. Panels of teachers and administrators should oversee the evaluation process to ensure it is thorough and of high quality, as well as fair and reliable. Such panels have been shown to facilitate more timely and well-grounded personnel decisions that avoid grievances and litigation. Teachers and school leaders should be involved in developing, implementing and monitoring the system to ensure that it reflects good teaching well, that it operates effectively, that it is tied to useful learning opportunities for teachers, and that it produces valid results.

The Every Student Succeeds Act supports multifaceted evidence. Under ESSA, states must build accountability systems that contain proficiency in reading and math; graduation rates for high schools and for elementary and middle schools; student growth or another indicator that is valid, reliable and statewide; English language proficiency; and at least one other indicator of school quality or success, such as measures of safety, student engagement, educator engagement and school climate.³⁷ New Mexico needs to create new systems that embrace multiple indicators and are consistent with the Every Student Succeeds Act.

Unproven and Discredited Reforms

A respect for teacher autonomy and expertise means not following the latest fad and abandoning failed reform policies. Merit pay, school grading, and third-grade reading retention now have years of social science research questioning the value of these policies in raising student achievement.

- Merit Pay. In a major study by the National Center on Performance Incentives and the RAND Corporation, an experimental pay-forperformance program in the Nashville (Tenn.) Public Schools showed no significant difference between students whose teachers received merit pay and those who did not. Based on survey responses, more than 80 percent of teachers agreed that merit pay "has not affected my work, because I was already working as effectively as I could."³⁸ Another study analyzed a "school-based randomized trial in over 200 New York City public schools" to assess the impact of teacher incentives on achievement. It found "no evidence that teacher incentives increase student performance, attendance, or graduation" or "any evidence that the incentives change student or teacher behavior."³⁹
- Third-Grade Reading Retention. Academic studies of third-grade reading retention policies in Florida and New York found that retention alone does not appear to have long-term academic benefits for students. Well-resourced interventions such as summer school and the opportunity to work one-on-one with experienced teachers were found to be the key to student achievement.⁴⁰ A report by the nonpartisan Education Commission of the States found that while retention

Legislative Action

The Legislature should—

- Strengthen the three-tiered career ladder to attract and retain highly qualified education professionals and increase the minimum salaries at each level to \$40,000, \$50,000 and \$60,000.
- Create a statewide evaluation system that gives districts flexibility, promotes collaboration within schools and gives teachers useful feedback for improving instruction.
- Create a conduit for teachers to have a voice in the implementation of new standards.

policies may generate "a sense of urgency for improving early reading proficiency, similar improvements in student achievement might well be achieved through identification and intervention—without the need for retention."⁴¹

• A-F Grading. The National Education Policy Center examined school grading systems and found the measurements lacking. According to the report:

"The report card systems don't validly measure school quality; they don't fulfill their stated policy objective; and they don't contribute to two fundamental goals of public education. These two goals are to educate students for democratic citizenship [e.g., by fostering critical thinking and the ability to weigh evidence], and to incorporate parents and community members in the democratic deliberation about their public schools' policies."

The authors of the report propose eliminating the single grade system and instead use a system with multiple indicators that incorporate best practices from assessment and evaluation experts.⁴²



Respect for Paraprofessionals and School-Related Personnel

School support staff play valuable roles in our schools. They help create safe and welcoming environments for students, deliver high-quality nutrition programs that help kids succeed in the classroom, transport students safely to and from school, and help struggling students learn to read. School support staff often are the first faces students see in the morning and the last individuals students see in the afternoon. School support staff are mentors, cheerleaders and confidants—and those are just their side jobs. Like teachers, paraprofessionals should play an integral role in implementation of the Every Student Succeeds Act, and should be included in create task forces on ESSA implementation.

Four years ago, salaries for teacher assistants in New Mexico ranked 41st among all 50 states and the District of Columbia, with an average annual wage of \$21,670.⁴³ The Legislature has tried to reduce the \$3,600 discrepancy between New Mexico's teaching assistants' pay and the national average, but New Mexico still trails neighboring states Arizona, Colorado and Utah, and a lot more work needs to be done. School support staff compensation needs to increase so that the state stays competitive locally and nationally and can attract the brightest and most qualified people to give our students the very best services.

School support staff play an integral role in student achievement and are invaluable providers of instructional and other support. State and local governments should promote and encourage professional development. That includes the creation of career ladders and programs for paraprofessionals and school-related personnel that help them build skills within their current occupations. The state should fund career pathway programs that provide an opportunity for these educators who choose to build on their experience in the classroom to develop into great teachers. New Mexico can also build careers by fostering on-the-job training for teaching assistants that leads to becoming a licensed teacher.

Paraprofessionals often operate at a heightened level of vigilance to guarantee the safety of their students and themselves, and are required to intervene in situations where students and staff may be at risk of harm or injury. A study of 8,000 school staff workers' compensation claims in Minnesota found special education assistants are most at risk for "student-related injuries" and have the highest workers' compensation claims rate (five for every 100 full-time employees) for such injuries, compared with all other school personnel.⁴⁴ Proper staffing, training, and appropriate workplace safety plans are a must for school support staff. Our schools must remain safe and healthy places for students and staff to learn and work.

Legislative Action

- The Legislature should—
- Enact legislation that establishes pathways—like a tiered career ladder—as a way for school support staff to increase their skills, take on more responsibility and contribute even more to the successful education of our students. With additional skills and responsibility comes additional pay, helping us to close the compensation inequalities.
- Enact legislation that would reduce the probationary period of non-licensed school employees to one year.

The Legislature should enact legislation that establishes pathways—like a tiered career ladder as is provided for K-12 educators—as a way for school support staff to increase their skills, take on more responsibility and contribute even more to the successful education of our students. With additional skills and responsibility comes additional pay, helping to close the compensation inequalities.

Recently, AFT NM convened a PSRP summit where our members came together to create a career pathway which not only acknowledged and respected the work our members are already doing in schools, but also provided a way forward for advancement. We believe our educational system should work to ensure all children are engaged in developmentally appropriate programs that foster their social and emotional development so that they have a chance to thrive. Other robust school supports—from transportation needs to school food programs—must also be in place. Safety and nutrition should be at the forefront of these services. The allure of privatizing these services will come at the expense of quality.



While each classification has different and unique concerns about professional advancement, and each district is different, the following charts represent one way to achieve a meaningful pathway for support employees to not only increase their skill sets, but also increase their salaries through added responsibilities, development, and education. We believe this career pathway represents a minimum starting point for conversation and can be tailored to the individual needs of not only the district or education institution, but also the professionals in our schools and education institutions.

Example of a Professional School Related Personnel Career Pathway

Novice

- Not fully licensed
- Must be monitored
- No extra duties
- 1 year minimum at Novice level
- 3 years maximum at Novice level

Intermediate

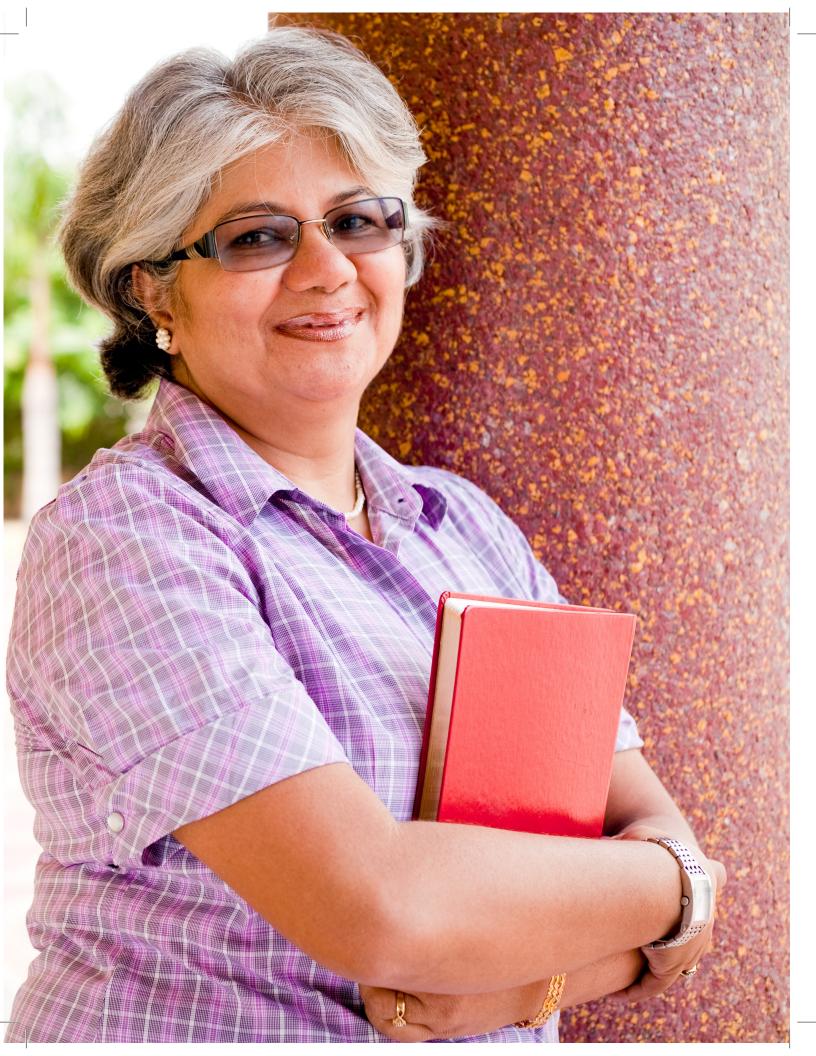
- Fully licensed
- Must be monitored
- No extra duties
- Can enter level at 2nd year of career committment
- 4 years maximum at this level
- Can earn differentials for continued
 education/skills

Advanced

- Can assume extra duties
- Can earn a responsibility bonus for mentoring/training/supervising Novice or Intermediate level staff
- Can earn differentials for extra certifications/continued professional development
- Can enter level at 4th year of career committment

Lead

- Fully licensed, responsible for supervision of school site/department
- Longer duty day
- Application required for position
- Can earn differential for added duties/ responsibilities
- At least a BA, or comporable professional certification in Lead area
- Minimum 6 years at site/department before eligible



3. Higher Education

Need for Investment

To have a higher education system that works for faculty and students alike, New Mexico needs to recommit to giving institutions of higher education the resources they need. At the root of many of the challenges to the state's higher education system is the basic fact that state disinvestment has led to metastasizing tuition and fees, exploding levels of student debt, and cuts to programs.

According to an analysis by the Center on Budget and Policy Priorities, New Mexico has cut \$4,775 per student in inflation-adjusted dollars since 2008, a 30 percent cut since the before the Great Recession. This is the 10th-highest cut in higher education in the nation.⁴⁵ As a percent of core revenues for institutions of higher education, state funding has dropped from an average of 33 percent to 28 percent.⁴⁶ But enrollment continues to climb. Since the recession, full-time equivalent enrollment in public higher education jumped from 85,203 to 96,110, a 12.8 percent increase.⁴⁷ Unsurprisingly, tuition at four-year colleges and universities has risen by an average of \$1,499 since 2008.⁴⁸

Despite increasing enrollment, too few in New Mexico have access to higher education opportunities they can afford. Only 31 percent of young adults ages 25 to 34 in the state have an associate degree or higher. That's the third-lowest higher education attainment rate of any state.⁴⁹ A 2015 report by New Mexico Voices for Children documented that the state gives very little of its financial aid based on student need—25 percent compared with a national average of 74 percent. The study also found that New Mexico working families are in the greatest need in the country. More than 40 percent of all working families earn low wages—below 200 percent of the poverty level—and half of low-income families lack a postsecondary education. And almost half of children under age 18 in the state live in families having low incomes.⁵⁰

Since its inception, the New Mexico Legislative Lottery Scholarship program has provided more than \$528 million for over 82,600 students to attend college. The Legislature should build on this success. While mindful of keeping the scholarship fund financially sound, the program should be opened up to students who take time between high school and college to work and attend to family needs. It should also provide flexibility for students who cannot take a full class load every semester for these same reasons. The state also should refocus scholarships based on financial need to improve access to affordable higher education opportunities.

And students who do secure a degree in New Mexico—both with and without scholarship aid—are often burdened by debt and face a tough job market. Nationally, an average individual borrower carries more than \$30,000 in student debt, which has ballooned to \$1.3 trillion. The situation in New Mexico is even worse. The average borrower in the state carries \$18,969 in debt, and 48 percent of students carry some debt.⁵¹ The state has

Legislative Action

The Legislature should restore higher education funding to pre-recession levels, adjusted for inflation.



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the highest student loan default rate in the country.⁵² New Mexico's 20.8 percent default rate is nearly double the national average.⁵³ A robust investment in higher education is needed to ensure that a high quality degree or credential is accessible to all.

Faculty

All members of a school's faculty, full-time and adjunct, should be treated the same. This means parity for workload pay and benefits for adjunct faculty. One issue facing faculty members in New Mexico is the lack of parity in state-mandated salary increases. Unlike increases to K-12 salaried education professionals, budgetary increases for higher education professionals are often included with general funding for the entire university and not earmarked for increases in compensation. Three-quarters of college faculty in the nation are contingent-part-time/adjunct or full-time temps. They are faced with low pay, unpredictable workloads, and no benefits. Half of the faculty workforce is part-time, and almost one-third of part-time faculty live on incomes below 150 percent of the federal poverty level. At least 100,000 rely on public assistance programs for food, medical insurance or other necessities.⁵⁴ Research has demonstrated that increased support for contingent faculty has a positive impact on student success.55 New Mexico can help increase the quality of public higher education by taking steps to support contingent faculty and to stabilize the instructional corps at state schools. These measures include providing access to benefits, establishing rights to continue in assignments, providing compensation for office hours and offering salary increases.

An institution of higher education works best when it has a robust faculty governance system and academic freedom for all faculty. All college and university employees—tenured faculty, junior faculty, temporary and parttime/adjunct faculty, graduate teaching and research assistants, professional staff with and without faculty rank, and the classified and support staff who keep the educational enterprise going—should have a guaranteed voice in decision-making and a role in shaping policy in the areas of their expertise. Broad participation will ensure that every faculty member is invested in the success of the institution. Academic freedom allows staff to exercise independent academic judgment in the conduct of their teaching and research, again enhancing the success of the institution.

Students and Student Loan Borrowers

Student debt is an anchor weighing down the economic aspirations of individual borrowers. Unlike other types of consumer debt, people with student loans have extremely limited options by which they can refinance or discharge that debt. Borrowers also face a bewildering environment in which it is confusing to figure who is servicing their debt and how their debt is transferred from one financial institution to another. The state can play an important role in assisting current student loan borrowers by regulating servicers so that repayment is less confusing and more transparent, and by ensuring that borrowers receive the legal rights to which they are entitled. Just as states require licenses for the mortgage industry, New Mexico should require that student loan servicers obtain a license, and subject these licensees to routine examinations to ensure consumer protection laws are being followed. For example, legislation enacted in California

Legislative Action

The Legislature should enact parity legislation for adjuncts that would allow all part-time adjunct and other nontenure-track faculty members to receive pay that is equal, on a pro rata basis, to that of tenured or tenure-track faculty of comparable qualifications doing comparable work; this would allow all part-time adjunct and other nontenure-track faculty members to be eligible to participate in the employee retirement plan; and it would allow all part-time adjunct and other nontenure track faculty members teaching at least 50 percent of the established workload for full-time tenured faculty to be eligible for the same healthcare benefits as full-time tenured faculty.

and Connecticut authorizes the state's appropriate financial regulation agencies to establish a student loan ombudsman, paid for by fees levied on student loan servicers. This ombudsman oversees the licensure of student loan servicers; conducts routine and surprise inspections of student loan servicers operating in the state; receives reviews and assists in resolving any complaints from borrowers; compiles and analyzes data on borrower complaints; and provides information to the public, agencies, legislators and others regarding common problems found in the student loan market and recommendations for resolving those problems.⁵⁶ This is a critical step to bring student loan servicing into the 21st century.

State-licensed or certified workers in New Mexico who have student debt are at risk of losing their license or certification if they default on their student loans. New Mexico is one of 22 states that can revoke a person's license if he or she is unable to pay back student loans. Given the high rates of student default in New Mexico, it is unreasonable for the state to punish workers who don't make paying back student loans a higher priority than paying for groceries, rent, healthcare or transportation. Instead, the state should be making it easier for borrowers to keep working at their chosen professions to allow them the possibility of paying off their student loans. One state—Montana—has already rolled back this counterproductive legal regime; New Mexico should follow suit.⁵⁷

Legislative Action

The Legislature should pass legislation to—

- Increase funding and modify the requirements of the lottery scholarship to improve access to affordable higher education opportunities.
- Enact a regulatory framework that requires student loan servicers to get a state license and cracks down on the opaque business practices of loan servicers.
- Repeal any state law that requires suspending the professional licenses of those who go into default.
- Require state and local public employers to educate new and current employees about federal public service loan forgiveness programs.

Legislative Action

The Legislature should earmark funding for adjunct faculty pay increases, so they have parity in state mandated salary increases.

Legislative Action

New Mexico should initially focus on making sure its teacher preparation programs foster classroom observations and student teaching prior to any certification.

Teacher Preparation Programs

Updating teacher preparation programs in higher education should be a priority to develop a 21st- century education system. A bipartisan report from the National Conference of State Legislatures compared teacher preparation reports in the United State with those of high-performing countries. The report concluded:

"Most teacher preparation programs in top-performing countries are based in prestigious research universities that are more selective and rigorous than U.S. programs. Teaching programs know and produce the number and types of teachers needed to fill vacancies each year, so admission is quite competitive. Programs require mastery of subjects to be taught and often include clinical practice that can take significantly longer to complete than teacher induction programs in the U.S. There are no approved alternative routes to licensure like those in the states, which enable professionals to become teachers with only a few weeks or months of training."⁵⁸

New Mexico should be guided by three core elements to improve its teacher preparation programs:

- 1. Alignment and coherence: Stakeholders, standards, assessments, programs and institutions must align their efforts, changing the fragmented nature of the teacher preparation system.
- 2. Rigorous and universal assessment: All candidates who want to enter the teaching profession should possess expertise in subject matter and pedagogical knowledge.
- 3. A profession governed by professionals: Teachers and teacher educators should pattern their profession after other professions by setting the standards for entry, aligning licensure and program content to those standards, and maintaining them over time.

4. Raising Revenue for the Public Services That New Mexico Deserves

According to a study by the Institute on Taxation and Economic Policy, New Mexico has the 17th most unfair state and local tax system in the country. This means a disproportionate share of state and local taxes are paid by middle- and low-income residents. To wit, the study found that in 2015 the richest 1 percent in the state paid 4.8 percent of their family income in state and local taxes.⁵⁹ The bottom 99 percent paid between 10.9 percent (those making less than \$17,000) and 6.3 percent (those making between \$149,000 and \$388,000) of their family income in state and local taxes. The tax burden on the top 1 percent has fallen since 2002, when the richest 1 percent paid 6.3 percent of their family income on state and local taxes.⁶⁰

New Mexico has several options it can take to raise revenue to fund the services its children need, and should look to taxes that are the most fair to lower- and middle-income residents.

Land Grant Permanent Fund.

The Legislature should place in front of voters an amendment to the state constitution that allows the Land Grant Permanent Fund to restore K-12 school funding, and that allows for additional payouts for early childhood education, while providing safeguards to maintain the fund's stability.

AFT New Mexico's advocacy on this issue is well known. The fund is a unique resource that should be put to work on behalf of children and used to help build a system of supports from early childhood education through college.

Enact comprehensive combined reporting. The state's decision to require combined reporting for certain businesses was a step in the right direction. Combined reporting laws are an effective tool to prevent multistate corporations from sheltering income in U.S. tax havens. But they do little to affect the offshoring of revenue. Montana, Oregon and a small number of other states extend their combined reporting to income in countries that have been designated by the federal government as tax shelters, such as Bermuda and the Cayman Islands. A strong combined reporting law could bring New Mexico an additional \$19.4 million in annual revenue.⁶¹

Return to the pre-2003 personal income tax rate system. New Mexico's 2003 personal income tax cut disproportionately benefits the state's wealthiest taxpayers. A family making \$22,000 a year, just above the poverty rate, pays the same personal income tax rate, 4.9 percent, as a family making more than \$100,000. And since the enactment of the cuts, the bottom 40 percent of taxpayers have received no tax relief from the cut, whereas the state's highest earners, those making more than \$295,000, have received an average of \$13,277 in tax relief.⁶² A restoration of pre-2003 income tax rates could generate as much as \$450 million in additional revenue per year.



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Return to the pre-2003 capital gains tax system. The state should roll back to its pre-2003 capital gains tax, and should equalize the tax with New Mexico's personal income tax. The current rate disproportionately favors the wealthy. According to an analysis by New Mexico Voices for Children, \$13.7 million of the \$28 million tax cut, went to those with incomes of more than \$1 million in 2011 alone. A restoration of pre-2003 income tax rates could generate \$28 million to \$45 million in additional revenue for the state per year.⁶³

Take a comprehensive look at tax expenditures. According to the state's 2015 tax expenditure report, the New Mexico lost \$1.2 billion in revenue to "carve outs" in the state's tax base.⁶⁴ In some cases, these carve outs make little economic sense. The Legislative Finance Committee, in a briefing on the expenditure report, explained:

"Good tax policy relies on five principles. The first principle, adequacy, states revenue should be adequate to fund needed government services. The second, efficiency, states the tax base should be as broad as possible and avoid excess reliance on one tax. The third, equity, states different taxpayers should be treated fairly. The fourth, simplicity, states collection should be simple and easily understood. Finally, the fifth, accountability, states preferences should be easy to monitor and evaluate. Tax expenditures can often interfere with these principles and represent revenue losses from a person or corporation's tax liability."⁶⁵

As documented by the Legislative Finance Committee, the healthcare industry in the state is the largest beneficiary of tax expenditures, costing the state \$344 million and representing 28 percent of lost revenue. The committee rightly called into question the utility of such a large subsidy, given the likelihood that the sector would have grown as a result of the Affordable Care Act, regardless of the tax breaks. The Legislature should look at these tax breaks⁶⁶ and determine if the lost funds could be put to a better use.

New Mexico has several major state finance programs that ostensibly are designed to support job creation by companies in the private sector. For example, a recent article in the Santa Fe New Mexican tracked the exploding costs of the high-wage tax credit, finding that the program's cost grew from \$4.4 million in 2010 to \$69.9 million in 2015. This was largely due to companies gaming the rules: Out-of-state companies hiring contract workers, merging with in-state companies, and setting up in-state shell companies all have claimed credits since the program's inception. Given how many of our current problems result from the lack of good jobs, it is vital for programs like the high-wage tax credit to be effective. If they are not effective, and simply pad corporate bottom lines, they should be discontinued and the funds put toward public services.

Broaden the state's gross receipts tax. When first enacted, the state's gross receipts tax was set at 2 percent and covered a wide range of economic activity. It is now set at more than 5 percent, and local governments are able to add a tax on top of that. The Legislature has carved out specific activities (documented in the state's tax expenditure report), and new types of goods and services have taken up a larger share of the state's economy. Without a broad base to tax, the state rate has gone up to be able to fund public

services. The gross receipts tax needs to be adapted to the new New Mexico economy. However, any new tax that disproportionately impacts low-income residents—such as broadening the tax to include groceries—should be coupled with a substantial increase to the low-income comprehensive tax rebate.

Equalize natural gas and oil severance taxes. Despite the increasingly important role natural gas plays in the U.S. economy and the economy in New Mexico, the state has different rates for severance taxes for natural gas and oil. While many of the state's fiscal problems can be traced back to an overreliance on severance taxes to fund public services, the different treatment of natural gas and oil makes little economic sense and does not follow good tax policy principles. Harmonizing taxes between oil and natural gas has the potential to raise \$300 million annually in new revenue.

Cigarette and Liquor Taxes. New Mexico has the 22nd highest tax rate on cigarettes in the country, levying a \$1.66 per-pack tax. A 1 percent increase in the tax could raise \$18 million a year and still keep the tax competitive with neighboring states—Arizona (\$2 per pack), Utah (\$1.77 per pack), Texas (\$1.41) and Oklahoma (\$1.03).⁶⁷

New Mexico also could raise taxes on liquor and still remain competitive nationally. The state has the 22nd-highest tax on distilled spirits,⁶⁸ the fifth-highest on wine,⁶⁹ and the 13th- highest on beer.⁷⁰ Equalizing and indexing—either by value or by volume—these three taxes could raise \$24 million in new revenue for the state. These taxes have proven public health benefits. For example, a study of a 2009 tax increase in Illinois on beer, wine and spirits found that the state saw a 26 percent reduction in monthly rates of fatal alcohol-related car crashes.⁷¹ And other studies have shown that an increased tobacco tax reduces smoking and lengthens lives.⁷²

Raise the Gas Tax. New Mexico has the 44th-highest gas tax in the country, levying a 18.88 cent per-gallon tax on fuel. Raising the tax by 1 cent per gallon would still keep New Mexico competitive with Utah (29.41 cents per gallon), Colorado (22 cents per gallon), Texas (20 cents per gallon), and Arizona (19 cents per gallon).

Increase the excise tax on automobiles. The state's 3 percent motor vehicle excise tax is one of the lowest in the region. Raising the tax 1 percent would raise \$44 million, and would still be a lower rate than Denver, Colo. (7.6 percent), Texas (6.3 percent), and Arizona (5.6 percent).⁷³

Fully collect and increase the insurance premium tax. Healthcare is becoming an increasingly important part of the New Mexico economy, and the healthcare industry carries a very low tax burden compared with other sectors of the state. And the expansion of Medicaid in the state—covered by the federal government—means healthcare services will continue to grow. Health insurers are exempt from the gross receipts tax—and instead are subjected to a combined rate, the insurance premium tax plus the insurance premium surtax, of 4.003 percent on premiums. Raising the insurance premium tax by 1 percent would still leave it below the gross receipts tax rate and raise \$30 million in new revenue annually. Fully collecting the tax at its current rate could bring in \$193 million.⁷⁴

Legislative Action

The Legislature should pass legislation to—

- The Legislature should enact pro-worker policies that will make the economy work for everyone in the state, not just the wealthy.
- The Legislature should raise the minimum wage to \$15 per hour.

The report also warned that a right-to-work law may undermine key growing sectors in the state's economy, such as healthcare and small business. Without the health insurance and higher wages associated with strong labor unions, employment growth in these industries could be at risk. The report also noted that "New Mexico has a good base from which to focus on creating high-tech, higher-wage manufacturing jobs. In 2014, all five of the states rated best for high-tech employers were non-right-to-work states, and New Mexico ranked ahead of a majority of RTW states."⁷⁹

Curtailing collective bargaining rights does not generate jobs or positively affect a state's economic growth. A report by the Economic Policy Institute found that:⁷⁸

- After Oklahoma passed anti-worker legislation in 2001, manufacturing
- After Oklahoma passed anti-worker legislation in 2001, manufacturing employment and relocations into the state began to decline after a previous increase.
- In states with right-to-work laws, the average worker makes \$1,500 less per year than a similar worker in a non-right-to-work state, even factoring in differences in cost of living.
- For the 20 years before the Great Recession, New Mexico's job growth was 20 percent higher than the average of all right-to-work states.
- Overall, from 2004 to 2012, employment in New Mexico grew at or above the level of both the national average and other Western states.

5. Protect Collective Bargaining

place deaths. 77

Many workers in New Mexico—from public sector educators to private sector telecommunications workers—have a voice in their workplace through

collective bargaining. Collective bargaining and other pro-worker policies empower people to have a voice in determining their pay, healthcare, benefits, hours, and health and safety policies. And these policies work. Collective bargaining improves wages and salaries for working people and helps ensure workers are paid enough to support their families. Workers in states with strong collective bargaining laws make more than workers in states without strong collective bargaining laws. And strong unions also set pay standards that help all workers, not just those in unions. A recent study found that "a high school graduate whose workplace is not unionized but whose industry is 25 percent unionized is paid 5 percent more than similar workers in less unionized industries."⁷⁵ Strong collective bargaining states also invest more in education, spending \$3,392 more per pupil than other states,⁷⁶ and have safer workplaces, with a 36 percent lower rate of work-

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