# Making KIDS COUNT in New Mexico

#### Presented to the

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Amber Wallin, KIDS COUNT Director

Bill Jordan, Senior Policy Advisor & Governmental Relations Officer

New Mexico Voices for Children



#### What is KIDS COUNT?

DATA - RESEARCH - POLICY









Because all children, regardless of where they live, how much money their parents make, or the color of their skin should have the best possible shot at reaching their full potential.



# We are ranked 49<sup>th</sup> in child well-being

#### And some indicators are particularly alarming













# NM's children face high hurdles to success

poor educational outcomes

food insecurity poverty

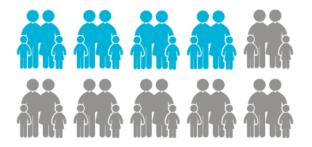
child abuse low access to early education & care





# NM's working families face major challenges

2<sup>nd</sup> Worst Rate of Working Families That are Low-income



42% of our working families are low-income

NM Has Some of the Highest Rates of Poverty in the U.S. Among:

- the employed
- families that work
- people who work full-time, year-round
- people with a bachelor's degree or higher

67% of Jobs in NM Pay Low Wages



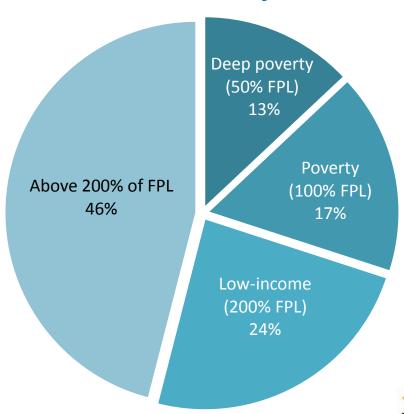
**Highest Long-term Unemployment Rate in the U.S.** 



45% of our unemployed have been looking for work for more than 6 months

# Most NM kids are in low-income households or living in poverty

#### **New Mexico's Children by Income Group**

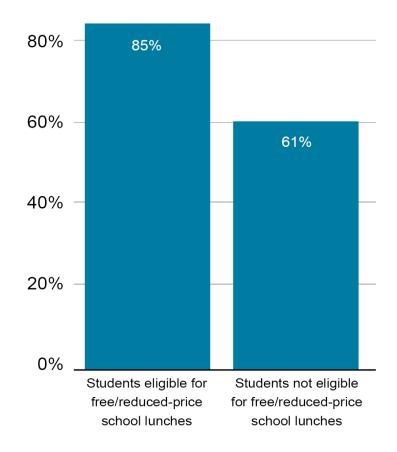


\* The federal poverty level in 2016 was \$24,600 for a family of four.



### Income levels impact education

#### Fourth Graders Who Scored Below Proficient in Reading by Family Income



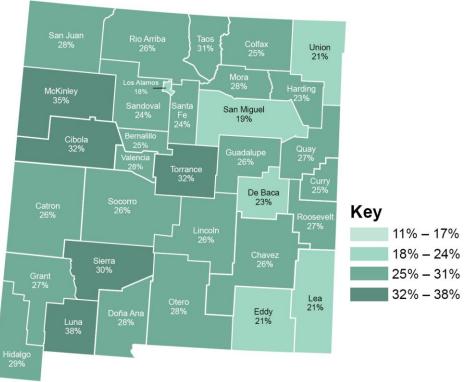


### Too many NM kids don't have enough to eat

#### 25% of New Mexico's Children are Food Insecure

Percentage of children who are food insecure (2013)

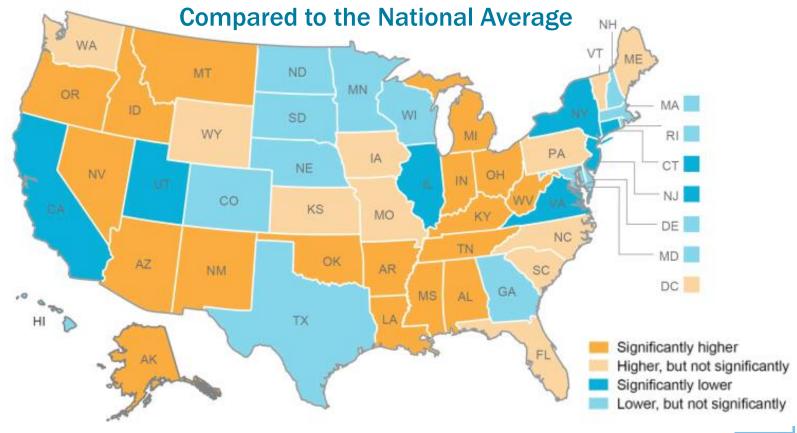
That's the 2<sup>nd</sup>
Highest Rate in
the U.S.

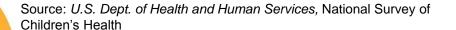




### Most NM children experience trauma

Percentage of Children Who Have Experienced at Least Two Traumas,







### Disparities exist in every indicator

Indicator	Hispanic	Native American	White, non- Hispanic
Children in Poverty	35%	43%	14%
Young Children Not in School	63%	51%	54%
4th Graders Not Reading Proficient	83%	90%	61%
Children without Health Insurance	4%	9%	2%
Children Experienced Two or More ACEs	29%	31%	22%
Teen Births (per 1,000 Female Teens)	41	39	20



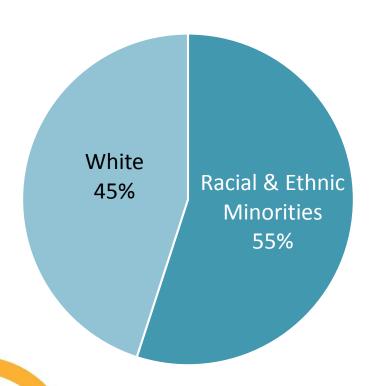


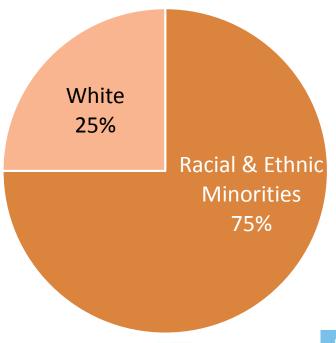
### NM is ahead of the demographic trend

**Child Population by Race and Ethnicity** 

United States, 2030

New Mexico, 2016







Source: U.S. Census Bureau, American Community Survey

# Nobody likes to hear the bad news, but there's good news too: policy matters

better reading & math scores

lower rates of food insecurity

better health outcomes

higher grad rates

lower remedial education costs





### **Progress IS possible**

#### And we're making some important gains

- 31,000 more NM kids have health insurance
- 4,100 more NM kids have access to pre-K
- 3,800 more NM families receive home visiting
- Big improvements in teen drug use and birth rates

#### Most indicators are improving





### ¡Sí, Se Puede!

#### Progress is within reach, and we CAN rise to the top

√ 30,000 kids with health insurance

39th to 16th!

- 680 more kids in preschool
- 2% fewer teen dropouts
- 170 more babies born at a healthy birthweight
- 35 fewer child or teen deaths

#### Would put us above most states



### How we got here

- 13.9% cut in per-pupil K-12 spending from 2008-2016.
- 35% cut in per-pupil higher education spending, leading to steep tuition increases.
- Cuts to special education funding, resulting in an even greater loss of federal dollars for special ed.
- Enrollment in child care assistance has dropped by 27% since 2010.
- Cut U.I. benefits, including the increment for children of unemployed workers.
- Underfunding of the Medicaid program by hundreds of millions in recent years.
- Tax cuts made our tax system even more regressive AND we have hundreds of millions of dollars less AND the tax cuts failed to create jobs.



# **Pri·or·i·ty**

#### noun

A thing that is regarded as more important than another;

"housework didn't figure high on her list of priorities"

The right to take precedence or to proceed before others;

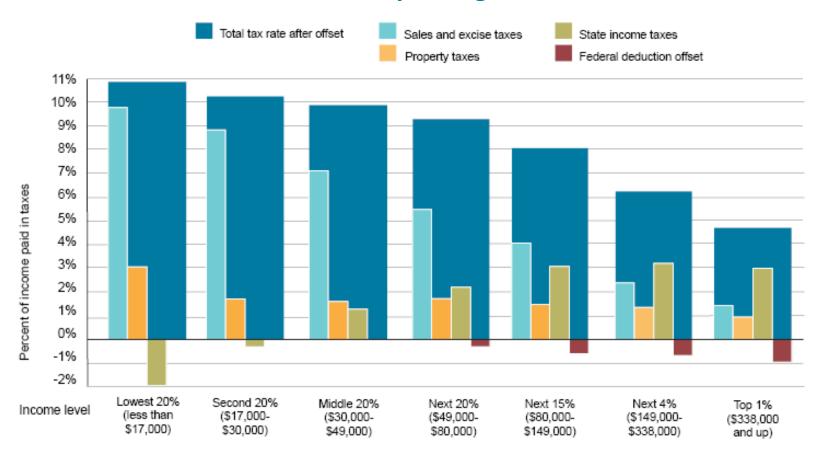
"traffic in the right lane has priority"





# Our tax system asks the most of those who can afford it least

Those in NM with the Lowest Incomes Pay the Highest Rates in State and Local Taxes



Source: Who Pays?, Institute on Taxation and Economic Policy, 2015

### Improve our tax system

# Child poverty is a longstanding pervasive issue and we need a set of targeted initiatives to end child poverty

- NM's tax system is grossly unfair to working families.
- 75% of families pay more than double what the richest families pay in state and local taxes as a share of their incomes.
- Our tax policy has been driven by a false promise to create jobs, but it has come at the expense of our kids and families.

# The Earned Income Tax Credit and NM's Working Families Tax Credit

- EITC injects \$500 million into NM economy.
- NM's Working Families Tax Credit returns \$50 million to working families.
- 97% goes to working families with kids.
- Without these two credits, 40,000 more NM families would be in poverty.
- If tax reform is debated, lawmakers should consider increasing the WFTC to at least 15% of the EITC.

"The best anti-poverty, the best pro-family, the best job creation measure to come out of Congress."

Ronald Reagan on the EITC



# Raise new revenue to avoid more harmful budget cuts

- Reverse the big corporate income tax cut.
- Enact combined reporting of all corporate taxes.
- Repeal the capital gains exemption.
- Enact a new PIT increase or surtax on high incomes.
- Enact a new health care provider assessment fee.
- Raise tobacco and alcohol taxes.
- Repeal ineffective or wasteful tax breaks.
- Tax all internet sales.



# Big impact/no cost initiatives

#### No cost to the general fund

- Increase the minimum wage.
- Enact paid sick leave & expand family medical leave.
- End predatory lending practices like payday, car title, rent-to-own, and tax refund lending by capping interest rates at 36%.
- Invest a fraction of the Land Grant Permanent Fund in early care and education.



## Early care and education

- Current funding is serving only a fraction of our eligible children.
- Eligibility for child care assistance is below 2001 levels (child care costs more than tuition at UNM).
- Enrollment in child care assistance is 27%
   lower than it was in 2010.
- NM needs a strong commitment to ECE and a stable and robust source of funding.

# Fully fund early childhood care and learning programs

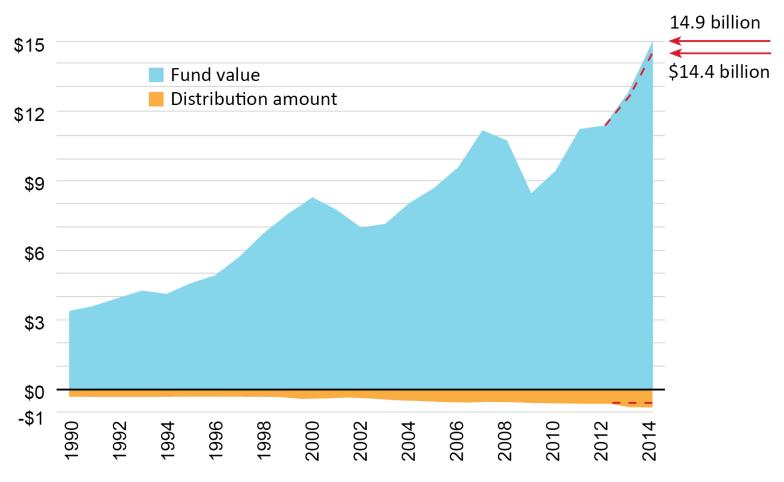
#### Invest 1% of \$16 billion LGPF

- To fund home visiting, child care assistance, NM pre-K, and workforce development.
- A dedicated, adequate, stable funding source.
- Does not raise taxes.
- LGPF will continue to grow.
- ECE provides better ROI than the stock market.



### **Our Permanent Fund is robust**

Value of the LGPF with and without 1.5% Investment in Early Childhood Services



Sources: State Land Office and Investment Council reports and audits, NM Voices estimates

# Fully fund child abuse prevention

- Prioritize early childhood care and education.
- Add ACEs screening to EPSDT.
- Reduce child protective services vacancy rate.
- Ensure adequate compensation and ongoing, extensive training for caseworkers.
- Restore and increase behavioral health services for families.





#### Medicaid and SNAP

- Maximize enrollment in all federally funded health and nutrition programs.
- Simplify enrollment and recertification.
- Implement express-lane eligibility.
- Expand outreach efforts especially to women of child-bearing age to assure healthy births.





# Thank you!

for more information:

New Mexico Voices for Children (505) 244-9505

www.nmvoices.org www.datacenter.kidscount.org



