



Why Increasing Permanent Funds for Early Childhood Is Good for New Mexico

Summary: This legislation, if approved by voters in a statewide referendum, would change the state constitution to require the Land Grant Permanent Fund (LGPF) to provide additional yearly distributions of 1% to early childhood educational (ECE) services (nonsectarian and nondenominational). This 1% would increase the current distribution of 5% to 6%, a conservative amount.

History: In 2017, the House passed this legislation 37:32; Senate Rules Committee voted 6:5 to table it. In 2018, it died in Senate Finance, after passing the House 36:33 and the Senate Education Committee. In 2019, it passed the House 41:27 but died in Senate Rules, tabled by a 7:4 vote with Sens. Papen, Sanchez, and Tallman voting with Republicans to kill it. A replacement bill, SB 671, which increased the distribution by ½% instead of 1% died in Senate Finance without a hearing.

In 2020, HJR 1 passed the House 44:25 and passed Senate Rules with an amendment that cut the proposed increase in distributions from 1% to ½%, but the bill died in Senate Finance without a hearing. Alternative legislation, HB 83, creating an early childhood trust fund with an initial allocation of \$320 million, passed and was signed by the Governor. Ongoing revenue for the trust fund was slated to come from excess revenue from federal mineral leases and oil and gas production, but by September 2020 it became clear that those funds would not be available. And due to budget cuts, the original allocation of \$320 million was reduced to \$300 million. The state budget gap for the next fiscal year is projected at \$991 million. All the more reason to fund early childhood education from the \$18 billion Permanent Fund.

Why This Legislation Is Good for NM

- Large numbers of NM parents cannot provide the enrichment their young children need to succeed in kindergarten and elementary school due to poverty, language issues, time constraints, and poor parental education.
- Current research indicates that pre-K provides that enrichment and thus better outcomes for children when they move to kindergarten, elementary, and high school.
- Better educated children are more likely to graduate high school, pursue higher education, avoid drugs and criminal activity, and become productive citizens.
- Better educated students become better prepared employees and entrepreneurs, and thus advance our state's economy.
- Currently only some districts provide pre-K; this bill would allow all districts to provide it.

Building grassroots power to successfully advocate for social, racial, environmental, and economic justice.

- The additional money could fund high-quality home visiting, childcare assistance, as well as pre-K, supporting the early and most formative years of 0-3.
- New Mexico has the largest Land Grant Permanent Fund at more than \$18 billion. It was intended to fund education. It is not a ‘rainy day’ fund or a retirement fund.
- The *Albuquerque Journal* reported that 81% of New Mexicans approve of using the Land Grant Permanent Fund to fund Pre-K education.
- The 1% increase is a modest portion of the overall fund.
- It would create 4,000 jobs over 4 years, primarily filled by women in rural areas.

Supporting Organizations

Catholic Archbishops of NM
Invest in Kids Now
NM Voices for Children
Annie E. Casey Foundation

Center for Law and Poverty
Catholic Health Initiatives
Southwest Organizing Project
NM Conference of Catholic Bishops

Center for Civic Policy
Olé New Mexico
New Mexico Working Families
New Mexico Asian Family Center