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PERMANENT FUNDS FOR EARLY CHILDHOOD

Resolution Sponsors: Rep. Moe Maestas and Rep. Javier Martínez
Contact: Jessa Cowdrey - 505.280.1722 - jessacowdrey@catholichealth.net
www.InvestInKidsNow.org

Background

The Constitutional Amendment, *Permanent Funds for Early Childhood*, is to increase resources available for Early Childhood programs throughout New Mexico. The joint resolution will help ensure that we can **expand programs that work for the children of New Mexico**. Currently, we have a **mixed delivery system serving children**; however there are **not enough slots** to serve the need. Funds could be used for a combination of the following: funding for **pre-kindergarten**; increasing **home visiting**; increasing access for **child care assistance**; promoting **professional development** for teachers; expanding access to **family services/support** and assuring **accountability/evaluation** of implemented programs. This increase in funding can help eliminate the waiting lists for Early Childhood services.

Culturally and Linguistically Sustaining

New Mexico is rich with cultural and linguistic heritages. We have an historic opportunity to create an education system that builds off the **strengths of all children**. Eight out of ten children in New Mexico are children of color. **Early Childhood development is the foundation of lifelong learning**; it is a critical window of opportunity. **Children are most likely to succeed in life** when they enter school with language and early math skills, as well as a strong sense of self-identity. **Culturally and linguistically sustaining programs are required for high quality Early Childhood development.**

Permanent Funds for Early Childhood is part of a legacy movement to support resiliency in New Mexican families and improve our educational and life outcomes. It will help New Mexican families by:

- Providing parents, who are working or going to school, with assistance for high-quality child care and **ensuring that New Mexico's children are in a safe learning environment** when they are not with their parents.
- Immediately increasing economic opportunity and over the long run, for the children as they grow:
 - Immediately: *Permanent Funds for Early Childhood* will support **4,000 Early Childhood careers** typically held by women who tend to spend a higher portion of their earnings on their children and in their communities.
 - For the children as they grow: *Permanent Funds for Early Childhood* will result in happier and healthier children, a strengthened education system, a **more prepared workforce, increased take-home pay for families** and **expand the state's tax base**.
- Supporting parents of young children with: information about **pregnancy, breastfeeding, the milestones of baby and toddler growth/development, positive discipline** and **techniques to managing stress**.
- Ensuring that our children are **ready for kindergarten, reading by the 3rd grade** and graduating from high school ready to go to college or enter the workforce.

Permanent Funds for Early Childhood addresses the URGENT need of New Mexican children and families

- **Experts estimate the unmet need in New Mexico for Early Childhood is over \$400 million per year** (Catherine Kinney, *Unmet Need for Early Childhood in New Mexico*). Since current investments in Early Childhood programs fall far short of the need, we must secure an adequate and sustainable source of funding.

- Extending the Common Schools portion of the Land Grant Permanent Fund (LGPF), currently at \$18 billion, to include Early Childhood would assure reliable funding for children’s most formative years. The proposed Constitutional Amendment will **provide 1% of the Common Schools portion of the LGPF to Early Childhood, representing about \$150 million** toward the unmet need.

Fast Facts

- **There is bi-partisan support in the Legislature** for the resolution and also from **80% of New Mexican voters** (Research and Polling).
- The **LGPF is governed by the people of New Mexico**; therefore any change in the distribution formula requires voter approval.
- There is **no better way for us to support the resiliency in our communities** than by giving our children the best educational opportunities we can from an early age.
- Only 1 in 20 (5%) children under age 3 receive home visiting.
- Only 1 in 6 eligible children have access to sliding-fee child care and few gain access to high-quality care.
- Only 1 in 5 (20%) of our 3 and 4 year olds can attend NM Pre-K.
- The average wage for a child care worker is \$9.10 per hour and has dropped by 4% since 2010. For a preschool teacher it is \$12.82 per hour, a 10% drop since 2010.
- New Mexico is 50th in child well-being (Annie E. Casey, Kids County Report, 2018).
- New Mexico has the highest rate of Adverse Childhood Experiences (ACEs) in the country (Child Trends, 2018).

Frequently Asked Questions

Will this deplete the LGPF? The LGPF grows approximately 11% per year and *Permanent Funds for Early Childhood* would increase distribution by 1% for Early Childhood, making the total withdrawal 6%. This means the fund still grows by 5% per year. The LGPF will not be depleted; it will continue to grow.

With the surplus in state revenue, why use money from the LGPF? While there is a surplus in the state general fund, there is a debate to determine how much is considered recurring. Funding for the unmet need should come from a sustainable source. There are many other unmet needs beyond Early Childhood. The K-12 education system alone is underfunded by hundreds of millions of dollars. The unmet need for Early Childhood is over \$400 million. One percent from the LGPF would result in approximately \$150 million per year. This proposal is only part of the solution, but a needed contribution to the overall funding need.

Will private providers have access to Early Childhood funding from the LGPF? This Constitutional Amendment will not change how Early Childhood funds are disseminated. Currently, private providers are recipients of state funding for Early Childhood services and this resolution only increases the amount of money available. Private centers and non-profit entities provide an important part of our Early Childhood capacity in the state and to undermine this would not be beneficial for New Mexico’s children.

Specifically, how will the money be spent and what is the timeline? We expect the legislative body will pass the Constitutional Amendment during the 2019 legislative session for the November 2020 general election ballot. Enabling Legislation will be passed during the 2021 legislative session to provide guidance around expanding high quality programs that work in our mixed delivery system like home visiting, child care assistance, pre-school, enhanced referral and accountability/evaluation of programs. The 1% of the LGPF for ECE would be incorporated into the state budget beginning in fiscal year 2022 (starting July 1, 2021).