

**Joint Economic Committee Hearing
“Building Blocks for Success:
Investing in Early Childhood Education”**

Wednesday, April 10, 2024

New Mexico House Speaker Javier Martinez
Written Testimony

Thank you, Mr. Chairman, and members of the committee.

I am Javier Martínez and I serve as Speaker of the New Mexico House of Representatives. I am also the son of hardworking immigrant parents.

It's a testament to my parents and their belief in the American Dream that I am where I am today. I chose a life in public service because, I, too, believe in the power of the American Dream. I want all families to be able to achieve what my parents did and create a better life for their kids.

A Portrait of Childhood in New Mexico

There are 22,000 children born in New Mexico each year. Many of these children face enormous challenges, but increasingly, they also have access to some incredible opportunities.

We are a large, mostly rural state with a majority-minority population. In New Mexico, about 77% of kids are children of color. Many of our families have long histories of generational poverty and trauma.

Our state still ranks near the bottom of the nation in child poverty, with 24% of New Mexico kids living at or below the federal poverty line. Only 45% of New Mexico families have incomes at or above 200% of the federal poverty line.

We also have long struggled with student performance metrics and graduation rates that are below the national average.

For many, many years, New Mexico has been seen as, and we have seen ourselves as, a poor state. Volatile funding streams made it difficult for us to predict state revenues and make meaningful investments to address the challenges we face.

Statistics Do Not Define Us

But we've refused to let these statistics define us or limit our vision for the future. Today, we are no longer a poor state. We are entering a new era of financial stability, with several years of historic revenues, as well as some of the greatest per capita reserves in the country. This presents us with an opportunity, and a responsibility, to put our values into action, and into our budget and policies.

We know that giving our kids the best possible start in life will have a tremendous positive impact on those children and their families. We also know that it will help us solve some of our toughest challenges, from breaking those cycles of generational poverty, to reducing crime, and building the skilled workforce we need for the future.

For over a decade, a diverse coalition of community champions patiently and persistently built political will to do something big, bold, and significant on early childhood education in our state. Slowly, but surely we gained momentum. That is thanks in no small part to leaders like Chairman Heinrich, who was one of the first elected officials to believe in this movement and whose support has been steadfast.

Thanks to this movement, New Mexico is steadily rebuilding the “village” it takes to raise a child. In 2019, we launched a cabinet-level Early Childhood Education and Care Department, so that there’s someone in our state whose job it is to make sure we meet the needs of all of New Mexico's children in their most formative years.

In 2020, we established the Early Childhood Trust Fund, with an initial appropriation of \$320 million, and annual distributions of excess revenue from federal mineral leasing payments. Distributions from the fund are projected to grow to \$443.75 million by FY 2028.

In 2022, New Mexico voters overwhelmingly approved a landmark constitutional amendment to guarantee all children in the state a right to early childhood education. New Mexico is the first state in the nation to guarantee this right. This amendment also established a dedicated, sustained funding stream for early childhood education and care, with an annual distribution of \$126.9 million from our Land Grant Permanent Fund.

We're also building up the infrastructure we need to sustain these programs. We have expanded eligibility for child care assistance to 400% Federal Poverty Level and waived parent copayments for childcare assistance.

We recently passed some of the most generous tax credits for working families in the nation. We created our own state-level child income tax credit. In 2023, we increased that state child income tax credit value up to \$600 per eligible child and added a measure to adjust the credit amount annually to account for inflation. The New Mexico Working Families Tax Credit also offers refundable credits, based on family size and earned income, and can reduce eligible taxpayers’ federal and state tax bills.

We are investing directly in quality child care, pre-K, and home visiting services. And we just reduced the tax burden on child care providers who offer subsidized care to families

in need. Additionally, we're making affordable housing, behavioral health services, and treatment for substance use more accessible to support family health and stability.

Replicating the Magic

New Mexico may be unique, but we know many states face similar challenges when it comes to child care. Federal American Rescue Plan Act funding has been incredibly effective in shoring up child care across the country. But as these funds run out, states must step up to address these challenges, so that children can get the head start they deserve, so that parents can participate in the workforce, and so that our communities and economy can reap the benefits.

My message to other lawmakers is to be bold and be persistent.

Resources and links:

- Education Next's Chance for Success Index: <https://cdn.epe.psdops.com/79/c3/8622d8094624835741611f035f79/17csi.h26.pdf>
- New Mexico Kids Count Data Book 2023: <https://www.nmvoices.org/wp-content/uploads/2024/01/2023-NM-KCDB.pdf>