

HOW THE FEDERAL GOVERNMENT'S COVID-19 RESPONSE IMPACTS NEW MEXICO



EDUCATION



BY THE NUMBERS:

All children deserve access to a great education, but New Mexico's K-12 schools have been underfunded for years. So much so that the state lost a lawsuit and must increase resources – particularly for students of color, those from low-income families, and those learning English – per a judge's order. The recession of 2008 also led to big spending cuts to the state's colleges and universities. While current funding levels are better than they have been in a decade, we still must provide needed resources to make the school system more equitable

- New Mexico is ranked **50TH** in the nation in education.¹
- It took **11 YEARS** for the state's K-12 education spending to recover to 2008 levels.²
- Our higher education per-student spending is still down **4%** from pre-2009 levels.³
- Child care enrollment is down by **10,740 KIDS** since 2010.⁴

WHAT'S INCLUDED:



The CARES Act created the Education Stabilization Fund (ESF), which allocates \$30.75 billion nationwide to support K-12 and institutions of higher education. New Mexico's share will be roughly \$242.1 million.⁵ To receive this funding, states must maintain K-12 and higher education funding at a level equal to the average spending over the last three years.

- New Mexico will receive \$108.6 million for K-12 education, with 90% directed to local K-12 agencies and 10% allocated at the state's discretion.
- \$75.7 million will be allocated directly to New Mexico colleges and universities, where 50% of funding must be used for emergency financial aid grants to students for expenses related to the disruption of campus operations.
- New Mexico will receive \$22.2 million of the new Governor's Emergency Education Relief (GEER) fund, to be used on K-12 and/or higher education at the governor's discretion.
- Payments on federal student loans held by the U.S. Department of Education (US ED) will be deferred interest-free until September 30. Participants in qualifying loan forgiveness programs will still be able to count this period towards time served.
- For those who have defaulted on loans, there will be a freeze on collections and wage garnishment.
- New Mexico will receive \$35.6 million from the Child Care Development Block Grant (CCDBG) to cover provider salaries and wages, child care for essential workers, cleaning and sanitation expenses, and Head Start programs.



WHO'S LEFT OUT:



Communities of color, low-income students, and undocumented college students

- The \$108.6 million for K-12 may be allocated to individual schools as the districts see fit. This leaves the schools in low-income areas, primarily located in communities of color, at risk of receiving an inequitable allocation.⁶
- DACA students cannot receive relief grants⁷ for higher education. Coupled with the fact that their families are ineligible for rebate checks, many of these students could struggle to stay in school.

Certain student loan borrowers

- All private student loans (roughly 8% of all student loan debt), about two-thirds of Federal Family Education Loans, and many Perkins Loans do not qualify for the provisions in the CARES Act.⁸

Online college and university students⁹

- US ED guidance excludes online students from aid, as they have not experienced a disruption in campus operations. However, student grants can be used for other costs of attendance, such as child care – a need for face-to-face and online students alike.

Teachers and other school employees

- The lack of general support for state budgets will harm education spending and will likely result in freezes to pay increases and hiring, losses in recruitment and retention in a field that already faces chronic shortages, and a decrease in school quality and equity.

WHAT'S NEXT:

Although New Mexico has made significant strides toward fully funding education to provide a more equitable and efficient cradle-to-career school system, we are facing unprecedented challenges to maintaining that progress. While this federal relief is a good start in immediate support for students and institutions, it is not enough. Additional federal funding to shore up state budgets would mean less stringent measures for maintaining education funding, more teachers and school employees retaining their jobs, and less of a need for tuition increases. As COVID-19 disrupts the certainty of other factors in children's lives, it is imperative that education remains adequately funded, with a prioritization on serving the students and communities who are all too often left out. The state budget should reflect our values as a community, and we must protect our investments in early childhood, K-12, and higher education for the future of our children, families, and workforce even as we face state revenue shortfalls.



1 Kids Count Data Center, Annie E. Casey Foundation

2 Post Session Review, Legislative Finance Committee, 2018

3 "What's Happening with State Budgets and Higher Ed," Open Campus, April 6, 2020

4 NM Human Services Department Monthly Statistical Report, March 2020 and Legislative Finance Committee Budget Recommendations Volume III

5 Estimated State Funding for Coronavirus Pandemic, Federal Funds Information for States (FFIS), updated April 10, 2020

6 "A P-12 Education Agenda in Response to COVID-19," The Education Trust, April 15, 2020

7 "Frequently Asked Questions about the Emergency Financial Aid Grants to Students under Section 18004 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act," U.S. Department of Education

8 "What's the government done to relieve student loan borrowers of their burden during the corona crisis?" The Brookings Institution, April 16, 2020

9 U.S. Department of Education (n 40)