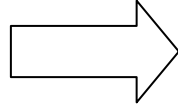
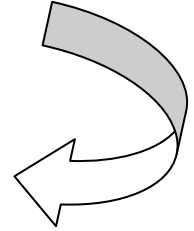


# Education in NM—The Funding Story

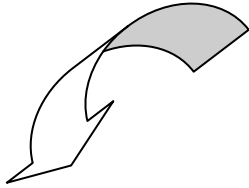
**1974**—NM lawmakers choose to make funding education the responsibility of the legislature. They create the NM State Equalization Guarantee, equalizing funding of students in the state's public school system.



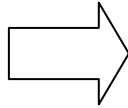
**1981**—Huge state revenue surpluses result in passage of "Big Mac" tax cut, reducing property tax rates from \$8.95 per \$1000 to \$.50 per \$1000. The shift from property taxes to income and sales taxes eventually leads to a primary dependence on oil and gas severance taxes.



**1982**—Bottom begins to drop out of oil and gas market resulting in additional lost revenues from severance taxes.



**1990's**—New Mexico's rank in per student funding drops to 47th in the nation. Teachers buy their own supplies. We lose art and music for elementary children, along with nurses. Other important services for students are cut from schools.

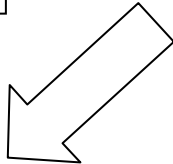


**2003**—Income tax cuts are passed that benefit mostly the wealthiest New Mexicans and cost the state **\$450 million a year in revenue!**

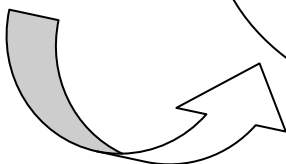
## Note

Lawmakers have consistently eroded education funding as a share of the overall budget:

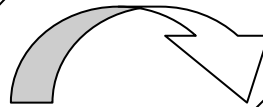
1988	51.6%
1990	50.0%
2000	47.0%
2007	44.0%
2008	43.3%
2009	40.1%



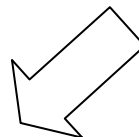
**2008**—Bottom falls out of oil and gas market again and economic downturn leaves the state reeling with budget deficits.



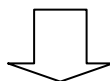
Ongoing loopholes in state tax code allow corporations to avoid paying taxes on their profits in NM. **Our state has lost \$60-\$80 million for our schools each year over a period of decades.**



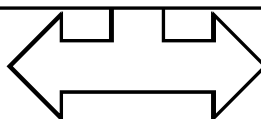
**2009**—Lawmakers craft a cosmetic budget that reflects a 2% decrease in education funding for SY 2009-10. The real decrease in funding is over 8%, given the fact the state is using \$165 million in federal stimulus money and \$35 million from the NM Permanent Fund to cover next year's costs. The use of a one-time infusion of cash to cover recurring costs could create funding disaster in two years.



**2009**—NM public employees forced to pay \$84 million out of pocket in increased retirement contributions for two years in order to help cover a \$454 million budget shortfall.



**October 2009**—Lawmakers plan to cut up to 10% more out of this year's education budget.  
**How will this story end? YOU choose.**



- ✓ Thousands come to the Demonstration for Education.
- ✓ Through their collective action, the citizens convince the lawmakers to do the right thing, and ensure this and future generations of children have a well-funded education.
- ✓ Lawmakers find a stable and sufficient funding source for our schools.

- ✓ Students lose art, music, sports, sufficient books and materials, and basically lose out on a complete education.
- ✓ Educators lose jobs; students move to different classes; learning time is lost.
- ✓ Class sizes are huge. Teachers are exhausted and students are anonymous.