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HOUSE MEMORIAL 25

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

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A MEMORIAL

URGING THE PRESIDENT OF THE UNITED STATES, THE NEW MEXICO
CONGRESSIONAL DELEGATION AND ALL OTHER MEMBERS OF CONGRESS TO
ADDRESS REDUCING THE "CLIFF EFFECT" AND ENDING GENERATIONAL
POVERTY.

WHEREAS, everyone should have the opportunity to work hard
and achieve family economic security, and economic independence
should be rewarded; and

WHEREAS, however, some policies are insufficient and keep
hard-working parents from climbing the economic ladder,
according to a New Mexico voices for children report; and

WHEREAS, hard-working families with fewer resources may
need work supports to help them cover basic necessities, such
as food, child care or health care, until these families can be
financially self-sufficient; and

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1 WHEREAS, most government safety-net programs, such as
2 child support, income assistance, health coverage and food
3 assistance, have a "cliff effect"; and

4 WHEREAS, the cliff effect occurs when a household loses
5 eligibility for public assistance once a family's income
6 surpasses the threshold set by the federal poverty guidelines;
7 and

8 WHEREAS, in many cases, the value of a lost or reduced
9 benefit can exceed an increase in wages; and

10 WHEREAS, the cliff effect occurs when an increase in
11 income is enough to disqualify a family from receiving the work
12 support benefit but is not enough to cover the cost of the lost
13 benefit; and

14 WHEREAS, there are some concerns that increasing income
15 would have the unintended consequence of a family losing child
16 care assistance and other benefits when the family's income
17 surpasses the income eligibility ceiling; and

18 WHEREAS, the cliff effect is creating a permanent class of
19 workers caught in the dilemma of how to pay for competing
20 needs, such as food, child care, housing, medication and other
21 essential goods and services;

22 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
23 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the president
24 of the United States, the New Mexico congressional delegation
25 and all other members of congress be urged to address reducing

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1 the cliff effect and ending generational poverty; and

2 BE IT FURTHER RESOLVED that the federal government be
3 urged to create policies that would reduce the cliff effect, in
4 support of working families trying to improve their lives and
5 the lives of their children; and

6 BE IT FURTHER RESOLVED that the federal government be
7 urged to consider higher income without consequences that
8 undermine families through loss of benefits; and

9 BE IT FURTHER RESOLVED that the federal government be
10 urged to address cliff effect policies in all areas of benefits
11 to ensure that a situation is not created that keeps low-income
12 families who are striving to work hard and achieve family
13 economic security from achieving success; and

14 BE IT FURTHER RESOLVED that copies of this memorial be
15 transmitted to the president of the United States, the New
16 Mexico congressional delegation and all other members of
17 congress.