

1 A MEMORIAL

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

6
7 WHEREAS, everyone should have the opportunity to work
8 hard and achieve family economic security, and economic
9 independence should be rewarded; and

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

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

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

21 WHEREAS, the cliff effect occurs when a household loses
22 eligibility for public assistance once a family's income
23 surpasses the threshold set by the federal poverty
24 guidelines; and

25 WHEREAS, in many cases, the value of a lost or reduced

1 benefit can exceed an increase in wages; and

2 WHEREAS, families often find themselves working harder
3 and earning more but unable to get ahead; and

4 WHEREAS, the cliff effect is particularly devastating
5 when it applies to child care assistance, because child care
6 is one of the most significant costs in a household budget;
7 and

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

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

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

20 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE
21 STATE OF NEW MEXICO that the president of the United States,
22 the New Mexico congressional delegation and all other members
23 of congress be urged to address reducing the cliff effect and
24 ending generational poverty; and

25 BE IT FURTHER RESOLVED that the federal government be

1 urged to create policies that would reduce the cliff effect,
2 in support of working families trying to improve their lives
3 and the lives of their children; and

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

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

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

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