

## **NMFAM Legislative Guide for HB193**

### *Education Scholarship Tax Credit Act*

Included:

- Simplified Breakdown of the Bill .....pg. 2
  - *A plain-language explanation of what the bill does, section by section, written to quickly clarify intent, scope, and real-world impact without legal jargon.*
- Messaging & Fact Tool (*Helpful to Legislators*) .....pg. 4
  - *Key talking points paired with supporting facts and data to help legislators clearly and confidently explain their position in committee, on the floor, or with constituents.*
- Likely Opposition Arguments—& How to Respond (*for Legislators*) .....pg. 9
  - *A brief overview of the most common arguments in opposition of the bill, along with concise, factual rebuttals legislators can use in debate or media interviews.*
- Messaging for Action Items & Socials .....pg. 12
  - *Ready-to-use language for action alerts, social media, and constituent outreach that clearly communicates the issue and drives timely engagement.*

## **HB 193—Simplified Bill Breakdown**

### **What HB 193 Does (Plain Language Overview)**

HB 193 creates a **scholarship tax credit program** that allows individuals and businesses to donate to nonprofit scholarship organizations, which then help **low-income New Mexico students attend private schools of their family's choice**.

Instead of sending more money into a one-size-fits-all system, this bill:

- Empowers **parents to choose** the best educational environment for their child
- Helps **low-income families** access educational options they otherwise could not afford
- Uses **private donations**, not new government spending
- Includes **strong transparency and accountability requirements**

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### **Explanation By Section**

#### **Section 1 – School Tuition Organizations (STOs)**

##### **What this section does:**

- Allows the Public Education Department (PED) to authorize nonprofit **School Tuition Organizations (STOs)**.
- STOs award scholarships to **eligible low-income students** to attend **private schools in New Mexico**.

##### **Key guardrails included:**

- At least **90% of donated funds must go directly to scholarships**
- Donors **cannot choose specific students**
- Scholarships **cannot be used for public schools**
- STOs must publicly report:
  - Total donations received
  - Total scholarships awarded
  - Schools receiving scholarships

- Administrative costs and audits

#### **Why this matters for families:**

This ensures scholarships are used **fairly, transparently, and responsibly**, with the focus kept on students—not bureaucracy.

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### **Who Is Eligible to Receive Scholarships**

A student must:

- Be from a **low-income household** (qualifies for reduced-price lunch)
- Be a New Mexico resident
- Have previously attended:
  - A public school, or
  - A registered homeschool
- Once approved, a student **remains eligible through graduation**, even if family income later increases

#### **Why this matters:**

This creates **stability for families**, so children aren't forced to bounce between schools year to year.

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### **Section 2 – Individual Income Tax Credit**

#### **What this section does:**

- Allows individuals to receive a **dollar-for-dollar tax credit** for donations to STOs:
  - Up to **\$700** (single filers)
  - Up to **\$1,400** (joint filers)
- Credits adjust for inflation
- Unused credits can be carried forward for **3 years**

#### **Why this matters:**

It encourages **community investment in education** without raising taxes or expanding government programs.

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## Section 3 – Corporate Income Tax Credit

### What this section does:

- Allows businesses to receive a **tax credit up to \$1,400** for donations to STOs
- Same accountability and carry-forward rules apply

### Why this matters:

Local businesses can directly invest in the future workforce and families of their communities.

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## Section 4 – When This Starts

- Applies to taxable years beginning **January 1, 2026**

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### What HB 193 Does **NOT** Do

- **✗ Does not** take money from public schools
- **✗ Does not** allow donors to pick individual students
- **✗ Does not** reduce accountability or oversight
- **✗ Does not** mandate private education

This bill is about **choice**, not coercion.

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### Why NMFAM Supports HB 193

- Parents are the **primary decision-makers** in a child's education
- Families deserve **real options**, not just assigned systems
- Low-income students should not be trapped by zip code or income
- Education funding should follow **students, not systems**

HB 193 strengthens families, respects taxpayers, and expands opportunity—without growing government.

# HB 193 — Messaging & Fact Tool

## Support to Vote YES on HB 193

*Educational Scholarship Tax Credit for Low-Income Students*

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### 1. Too Many Low-Income Families Have No Real Educational Choices

Where a child lives or how much their parents earn often determines the education options available to them—HB 193 helps change that.

#### Facts to Support

- Many New Mexico families lack access to quality educational alternatives due to cost
- Private schools are often **financially out of reach** for low-income households
- Educational outcomes improve when families can choose the environment that best fits a child's needs

#### Legislative takeaway:

Opportunity should not be limited by income or zip code.

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### 2. HB 193 Empowers Parents—Not Systems

HB 193 puts decision-making back where it belongs: with parents.

#### Facts to Support

- Scholarships are awarded to students to attend **private schools chosen by their parents**
- Participation is **voluntary** for families
- No mandates on schools, parents, or students

#### Legislative takeaway:

Parents know their children best—and should have real choices.

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### 3. HB 193 Helps Low-Income Students Without Raising Taxes

This program is funded through **private donations**, not new government spending.

### **Facts to Support**

- Scholarships are funded by individual and business contributions
- Donors receive **tax credits**, not cash payouts
- No new appropriations or tax increases are required

### **Legislative takeaway:**

This expands opportunity without expanding government.

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### **4. HB 193 Includes Strong Accountability and Transparency**

This is not a blank-check program—it includes clear guardrails and public oversight.

### **Facts to Support**

School Tuition Organizations (STOs) must:

- Direct **at least 90%** of donations to scholarships
- Prohibit donors from selecting individual students
- File annual public reports on:
  - Donations received
  - Scholarships awarded
  - Schools served
  - Administrative costs
- Undergo **independent audits or financial reviews**

### **Legislative takeaway:**

Accountability is built into the structure of the bill.

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### **5. HB 193 Prevents Conflicts of Interest**

The bill protects against favoritism or donor influence.

### **Facts to Support**

- Donors **cannot designate scholarship recipients**
- STOs cannot limit scholarships to a single school

- Excess scholarship funds must be returned and reallocated fairly

**Legislative takeaway:**

The program is designed to be fair, ethical, and transparent.

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## **6. HB 193 Provides Stability for Students**

Once a student qualifies, they are not forced out midstream.

**Facts to Support**

- Eligible students remain eligible:
  - Through graduation or age 21
  - Even if family income later increases
- Prevents disruptive school switching year to year

**Legislative takeaway:**

Educational stability improves student outcomes.

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## **7. HB 193 Supports Community and Business Investment**

The bill allows New Mexicans to invest directly in the next generation.

**Facts to Support**

- Individuals can receive tax credits up to:
  - \$700 (single filers)
  - \$1,400 (joint filers)
- Businesses can receive tax credits up to \$1,400
- Credits may be carried forward for three years

**Legislative takeaway:**

This strengthens communities through local investment.

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## **8. HB 193 Does NOT Harm Public Schools**

This bill expands options—it does not dismantle public education.

### **Facts to Support**

- No public school funding is reduced
- Scholarships cannot be used at public schools
- Participation is optional for families and donors

### **Legislative takeaway:**

School choice and public education can coexist.

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### **9. HB 193 Is Targeted to Students Who Need Help Most**

This is not a universal voucher—it is a focused support for low-income families.

### **Facts to Support**

- Eligibility tied to reduced-price lunch income levels
- Students must have previously attended:
  - A public school, or
  - A registered homeschool
- Prevents misuse or broad entitlement expansion

### **Legislative takeaway:**

HB 193 is targeted, not open-ended.

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### **Closing Statement for Legislators**

HB 193 expands opportunity without raising taxes, empowers parents without mandates, and includes strong accountability to protect public trust.

It is a measured, responsible approach that helps low-income students access educational environments that work best for them—while respecting taxpayers and strengthening communities.

**HB 193 deserves a YES vote.**

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### **Quick One-Line Floor & Media Responses**

- “HB 193 expands educational opportunity without raising taxes.”
- “This bill empowers parents, not bureaucracies.”
- “Private donations, strong accountability, real choice.”
- “Low-income families deserve options too.”
- “Education should fit students—not force students to fit systems.”

## HB 193 — Likely Opposition Arguments & How to Respond

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### **Opposition Argument 1: “This takes money away from public schools.”**

#### **The Claim:**

Opponents argue that tax credits reduce state revenue and therefore harm public school funding.

#### **The Reality:**

HB 193 does **not** redirect public school funding or cut education budgets.

#### **Facts to Respond**

- HB 193 is funded through **private donations**, not state appropriations
- No money is taken out of the public school funding formula
- Scholarships **cannot be used at public schools**
- Participation is voluntary for donors and families

#### **Response Message:**

HB 193 does not take money from public schools—it allows private citizens to invest in students using their own resources.

#### **Legislative takeaway:**

This bill expands opportunity without reducing public school funding.

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### **Opposition Argument 2: “This is a voucher program in disguise.”**

#### **The Claim:**

Opponents label HB 193 as a voucher to suggest government control or misuse of public funds.

#### **The Reality:**

HB 193 is **not a voucher program**.

#### **Facts to Respond**

- Funds never pass through the state or directly to families
- Donations go to **independent nonprofit organizations**
- Scholarships are awarded by STOs, not government agencies

- No entitlement or universal eligibility is created

**Response Message:**

HB 193 uses private donations and nonprofit administration—it is fundamentally different from a government-run voucher.

**Legislative takeaway:**

Calling this a voucher is inaccurate and misleading.

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**Opposition Argument 3: “There’s not enough accountability.”**

**The Claim:**

Opponents raise concerns about oversight and misuse of funds.

**The Reality:**

HB 193 includes **stronger accountability measures** than many existing tax credit programs.

**Facts to Respond**

STOs must:

- Spend **at least 90%** of donations on scholarships
- File detailed annual public reports
- Undergo **independent audits or financial reviews**
- Disclose top staff salaries
- Be listed in a **public registry** maintained by PED

**Response Message:**

HB 193 is built on transparency—financial reporting, audits, and public disclosure are required.

**Legislative takeaway:**

Accountability is not an afterthought; it is built into the bill.

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**Opposition Argument 4: “This only benefits private schools.”**

**The Claim:**

Opponents frame the bill as helping institutions instead of students.

**The Reality:**

HB 193 is **student-centered**, not school-centered.

**Facts to Respond**

- Scholarships are awarded **to students**, not schools
- Parents choose where scholarships are used
- STOs cannot favor or limit scholarships to one school
- Focus is on **low-income students**, not institutions

**Response Message:**

This bill follows students—not institutions—and gives families options.

**Legislative takeaway:**

HB 193 is about student opportunity, not school preference.

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**Opposition Argument 5: “This helps a small group at the expense of everyone else.”****The Claim:**

Opponents argue the bill benefits too few students to justify the policy.

**The Reality:**

Targeted solutions are often the most responsible and effective.

**Facts to Respond**

- HB 193 is intentionally limited to **low-income students**
- Not every solution must be universal to be effective
- Pilot-style, targeted programs allow for measured impact
- Families currently without options benefit most

**Response Message:**

Helping the students who need help most is a strength—not a weakness.

**Legislative takeaway:**

Targeted relief is responsible governance.

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**Opposition Argument 6: “Private schools don’t have the same standards.”**

**The Claim:**

Opponents suggest private education lacks accountability or quality controls.

**The Reality:**

Parents are the primary accountability mechanism.

**Facts to Respond**

- Families choose schools based on quality, safety, and fit
- Private schools are accountable to parents—not bureaucracy
- Poor-performing schools lose enrollment
- HB 193 does not exempt schools from existing state laws

**Response Message:**

Parental choice is one of the strongest accountability systems available.

**Legislative takeaway:**

Empowered parents drive quality through choice.

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**Opposition Argument 7: “This opens the door to abuse or favoritism.”****The Claim:**

Opponents worry donors will influence who receives scholarships.

**The Reality:**

HB 193 explicitly prohibits this.

**Facts to Respond**

- Donors **cannot designate student beneficiaries**
- STOs may not facilitate donor-student matching
- Violations risk loss of authorization
- Excess funds must be reallocated fairly

**Response Message:**

The bill directly addresses and prevents favoritism.

**Legislative takeaway:**

Safeguards are clear and enforceable.

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**Opposition Argument 8: “This undermines confidence in public education.”****The Claim:**

Opponents argue school choice policies weaken public schools.

**The Reality:**

Families already choose housing, charter schools, and homeschooling—HB 193 simply expands lawful options.

**Facts to Respond**

- Choice already exists for families with means
- HB 193 extends opportunity to families without financial access
- Public education and school choice are not mutually exclusive

**Response Message:**

Choice strengthens systems by responding to real family needs.

**Legislative takeaway:**

Education improves when families are empowered.

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**Closing Response for Legislators**

HB 193 is a measured, transparent, and fiscally responsible policy that expands educational opportunity for low-income families—without mandates, without new spending, and without undermining public schools.

Opposition arguments rely on fear-based labels and false comparisons.

The facts show HB 193 is about **choice, accountability, and opportunity**.

**HB 193 deserves a YES vote.**

# HB 193 — Messaging for Action

*Educational Scholarship Tax Credit for Low-Income Students*

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## Action Center – Bill Description

**HB 193 expands educational opportunity for low-income New Mexico families—without raising taxes or cutting public school funding.**

This bill allows individuals and businesses to donate to nonprofit scholarship organizations that help eligible low-income students attend private schools of their family's choice. Donations are privately funded, tightly regulated, and include strong transparency and accountability requirements.

HB 193 empowers parents, strengthens communities, and provides real options for students who need them most.

**Take action today and urge your legislator to vote YES on HB 193.**

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## Primary Call to Action (Website / Email / Text)

**Tell lawmakers: Empower parents. Protect taxpayers. Expand opportunity.**

Click here to contact your legislator and ask them to support **HB 193**.

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## Short Action Alert Version (SMS / Push Notification)

Low-income families deserve real education choices.

HB 193 expands opportunity without raising taxes.

👉 Tell your legislator to vote **YES on HB 193** today.

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## Social Media CTAs

### Option 1 – Values-Based (Parents & Families)

Parents know their children best.

HB 193 gives low-income families real educational choices—without mandates or tax hikes.

 Tell your legislator to vote **YES on HB 193**

 Take action today

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## Option 2 – Fiscal Responsibility Focus

HB 193 expands educational opportunity **without raising taxes or cutting public schools.**

-  Privately funded
-  Strong accountability
-  Parent-driven choice

 Contact your legislator and support HB 193.

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## Option 3 – Equity & Access

School choice shouldn't be limited to families who can afford it.

HB 193 helps low-income students access educational options that fit their needs.

-  Ask your legislator to support **HB 193**
-  Take action now

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## Option 4 – Accountability Emphasis

HB 193 isn't a blank check.

It includes audits, public reporting, and strict safeguards—while expanding opportunity for students.

-  Support smart, accountable school choice
-  Vote YES on HB 193

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## Option 5 – Simple & Shareable

More options.

More opportunity.

No new taxes.

Support **HB 193** ✓

 Take action today

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### **X / Twitter (Short-Form)**

- HB 193 empowers parents and expands opportunity—without raising taxes. Tell NM lawmakers to vote YES.
- Low-income families deserve real education choices. Support HB 193.
- Privately funded. Accountable. Parent-driven. HB 193 is the right step forward.

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### **Hashtag Options**

#HB193  
#SchoolChoiceNM  
#ParentsKnowBest  
#EducationOpportunity  
#PutStudentsFirst  
#NMFamilies

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### **Closing Line for Graphics or Emails**

**HB 193 strengthens families, respects taxpayers, and puts students first.**