



New Mexico's Response to COVID-19: Child Care Actions

Fact Sheet | January 2021

On March 27, 2020, the CARES Act was signed into law, including \$3.5 billion in supplemental appropriations for the Child Care and Development Block Grant to prevent, prepare for, and respond to the coronavirus. This funding represents a 60% increase in total discretionary appropriations for fiscal year 2020, which amounts to \$9.326 billion. States were given broad flexibility for how to use this funding and have therefore taken a variety of approaches to help address needs of working families and providers through COVID-19. However, as the funds ran out during the ongoing crisis, many states began pulling from other sources to continue supporting parents and providers alike. This fact sheet explains the actions New Mexico took to support the child care industry and working parents through 2020.

New Mexico received \$29.4 million in supplemental CCDBG funds in the CARES Act.

Almost half of the state's funds were allocated through the Recovery and Stabilization grants distributed in May to help support the ongoing operations of child care programs. The state anticipated that nearly 1,000 providers would receive these grants ranging from \$2,000 to \$34,000 depending on each provider's type, size, quality level, and the number of children receiving subsidies.

During from May through July, New Mexico paid providers subsidies based on pre-pandemic enrollment, rather than the regular monthly enrollment that is typical for the state. However, as of August, the state had reverted to payments based on monthly enrollment. Providers would lose subsidy payments if a child did not attend care for five consecutive days.

To further support child care workers, the state offered staff incentive pay from April through June. Full-time

staff were eligible for \$700 per month while part-time staff were eligible for \$350 per month. Additionally, the state offered providers an incentive of \$250 per child served.

Child care homes were not eligible for the Recovery and Stabilization grants but were eligible for incentive payments.

Lastly, New Mexico established the Family, Friend, and Neighbor care program, available through August, to offer payments to family, friends, and neighbors caring for fewer than four nonresident children. The state also published guidance in August indicating that child care for school-age children operated by public/private schools would be license-exempt.

The state did not announce a continuation of staff payments, stabilization grants, or incentive payments through the fall. At the time of publication, New Mexico had yet to announce any additional child care support plans for 2021.