

CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: *NEW MEXICO*

- **Income eligibility limit:** In 2017, a family of three in New Mexico could qualify for child care assistance with an annual income up to \$40,320 (197 percent of poverty, 78 percent of state median income).<sup>1</sup>
- **Waiting list:** New Mexico had 751 children on a waiting list for child care assistance as of February 2017.<sup>2</sup>
- **Parent copayments:** In 2017, a family of three with an income at 100 percent of poverty (\$20,420 a year) receiving child care assistance in New Mexico paid \$79 per month, or 5 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$30,630 a year) receiving child care assistance paid \$178 per month, or 7 percent of its income, in copayments.<sup>3</sup>
- **Payment rates:** In 2017, New Mexico's payment rates for child care providers serving families receiving child care assistance were below the federally recommended level—the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.
  - New Mexico's monthly payment rate for center care for a four-year-old was \$491, which was \$215 (31 percent) below the 75th percentile of current market rates for this type of care.<sup>4</sup>
  - New Mexico's monthly payment rate for center care for a one-year-old was \$721, which was \$15 (2 percent) below the 75th percentile of current market rates for this type of care.<sup>5</sup>
- **Tiered payment rates:** In 2017, New Mexico had higher payment rates for higher-quality care.
  - The payment rate for center care for a four-year-old at the highest quality tier was 71 percent higher than the rate at the lowest quality tier.
  - The payment rate for center care for a four-year-old at the highest quality tier was above the 75th percentile of current market rates.<sup>6</sup>
- **Eligibility for parents searching for a job:** In 2017, New Mexico allowed parents already receiving child care assistance to continue receiving it for up to 3 months while searching for a job.<sup>7</sup> However, the state did not allow parents to initially qualify for and begin receiving child care assistance while searching for a job.<sup>8</sup>

Source: Karen Schulman and Helen Blank, *Persistent Gaps: State Child Care Assistance Policies 2017* (Washington, DC: National Women's Law Center, 2017). These data reflect policies as of February 2017, unless otherwise indicated.



- 1 As of April 2017, the income limit was increased to \$40,840 (200 percent of poverty) to adjust for the 2017 federal poverty level.
- 2 In 2017, families with incomes at or below 150 percent of poverty were served without being placed on the waiting list. In addition, families receiving or transitioning from Temporary Assistance for Needy Families (TANF), teen parents in school, families with children who have special needs, and homeless families are served without being placed on the waiting list.
- 3 Grandparents or legal guardians who have taken custody/guardianship of a child and families receiving protective services and at-risk child care are exempt from copayments.
- 4 The state's market rate survey differentiates between quality levels and the 75th percentile of market rates was obtained for providers at each quality level of the state's older quality rating and improvement system and one of the levels of the newer quality rating and improvement system to which the state is transitioning (the newer system was not yet fully implemented at the time of the last survey); the base (lowest) payment rate, which is the most common rate level (the level representing the greatest number of providers), is compared here to the 75th percentile for that same quality level.
- 5 The base (lowest) payment rate, which is the most common rate level, is compared here to the 75th percentile for that same quality level.
- 6 The payment rate for the highest quality level is compared here to the 75th percentile for the highest quality level under the older quality rating and improvement system.
- 7 Parents can continue receiving child care assistance while searching for a job for up to 3 months or until the end of their eligibility period, whichever comes first.
- 8 Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and approved for job search.

