

2026 Legislative and Budget Priorities

SB170: Child Care Facility Donation Tax Credit at a Glance for New Mexico Legislators



Child care is a critical component of New Mexico's system of cradle-to-career education and care. Children, families, employers, and communities rely on the state's care providers, which operate in a variety of settings, including licensed centers, home-based programs, and programs affiliated with community institutions such as churches or universities.

Although New Mexico has made historic investments in child care, the sector has long operated with limited resources, thin margins, and constrained access to capital. Even as demand for child care continues to grow, providers often lack flexible funding to support facility improvements, learning environments, and other program enhancements that strengthen quality and stability.

Private giving can complement state investments by encouraging contributions from individuals, businesses, and foundations that want to support child care in their communities. Additional philanthropic support can help providers respond to local needs, invest in quality improvements, and build long-term sustainability.

ECECD and the Taxation and Revenue Department are introducing a proposal that would allow personal and corporate income tax credits for donations to ECECD-licensed child care programs in which at least fifty percent of the families served receive Child Care Assistance. This would enable child care providers to fundraise for projects and enhancements that are not typically covered by their base budgets.



What this Means for New Mexico

- SB170 unlocks and supports philanthropic and corporate giving for the entire child care sector.
- SB170 gives families the opportunity to show support and receive a benefit for that support for the providers they depend on every day.
- Extra resources for providers means they can invest in program quality and expansion to meet the needs of families.

