



NEW MEXICO

**Early Childhood**

Education & Care Department

January 2026

## Senate Finance Committee

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# Senate Finance Committee Presentation

January 2026

Recurring investments  
sustain access



Non-recurring investments  
build capacity



Together, they advance New Mexico's early  
childhood system statewide

The FY27 Executive Budget builds on the strategic and successful investments of the New Mexico Legislature and Governor Michelle Lujan Grisham, which have improved the lives of tens of thousands of New Mexico families and young children. **The Executive Budget also supports ECECD's 2022–2027 Strategic Plan through targeted recurring and non-recurring investments.**

	Line Item	Executive Budget	LFC Recommendation	Difference
Recurring	Universal Child Care	\$160.6M	10M	-\$150.6M
	Department Infrastructure	\$4.3M	\$2.4M	-\$1.9M
	Home Visiting	\$4M	\$3.9M	-\$100K
	Family Infant Toddler (FIT) Rate Change	\$3M	\$3M	\$0
	New Mexico PreK Expansion	\$7.5M	\$7M	-\$500K
	<b>Subtotal</b>	<b>\$179M</b>	<b>\$26.3M</b>	<b>-\$153.1M</b>
Non-recurring	Wage Scale and Career Lattice (3 yrs, GRO)	\$57M	\$0	-\$57M
	Child Care Pilot	\$0	\$48M	+\$48M
	Child Care Facility Revolving Loan Fund	\$20M	\$5M	-\$15M
	FIT Professional Development and Support	\$3M	\$0	-\$3M
	Local Early Childhood System Building Coalitions (3 yrs, GRO)	\$3M	\$0	-\$3M
	Native American Early Childhood Convening	\$400K	\$0	-\$400K
Category 2 (C2)	<b>Subtotal</b>	<b>\$83.4M</b>	<b>\$53M</b>	<b>-\$30.4M</b>
	FIT Data System Phase I	\$2.25M	\$0	-\$2.25M
	EPICS Replacement Discovery	\$250K	\$0	-\$250K
	<b>Subtotal</b>	<b>\$2.5M</b>	<b>\$0</b>	<b>-\$2.5M</b>
<b>Grand Total</b>		<b>\$256.5M</b>	<b>\$76.9M</b>	<b>-\$179.4M</b>

## Universal Child Care Snapshot

Families by FPL	Income Range for a Family of Four	# of New Family Applications	% of New Family Applications
<100%	\$0-\$32,150	1,072	12.7%
100% to 200%	\$32,151-\$64,300	964	11.5%
200% to 300%	\$64,301-\$96,450	720	8.6%
300% to 400%	\$96,451-\$128,600	728	8.7%
400% to 500%	\$128,601-\$160,750	1,092	13%
500% to 600%	\$160,751-\$192,900	973	11.6%
600% to 700%	\$192,901-\$225,050	804	9.6%
700% to 800%	\$225,051-\$257,200	570	6.8%
800% to 900%	\$257,201-\$289,350	373	4.4%
900% to 1000%	\$289,351-\$321,500	258	3.1%
1000%+ FPL	\$321,501+	665	7.9%
Presumptive Eligibility/ Income Unknown	-	193	2.3%
<b>Total Families</b>	<b>-</b>	<b>8,412</b>	<b>100%</b>

82%

of newly enrolled families are **low or moderate income families**



## New Child Care Contracts by Age Group

Child Contracts by Age Group	Number of Children by Age Group	% of Children by Age Group
Infants	2,201	21.1%
Toddlers	1,596	15.4%
Preschool	4,009	38.5%
School Age	2,606	25%
<b>Total Children</b>	<b>10,412</b>	<b>100%</b>



# 86%

**Infant care costs 86% more than in-state public university tuition.** Using the U.S. Department of Health and Human Services affordability standard, only 10.8% of New Mexico families can afford infant care.

Economic Policy Institute. (2023). Child care is unaffordable for working families across the country, including in New Mexico.

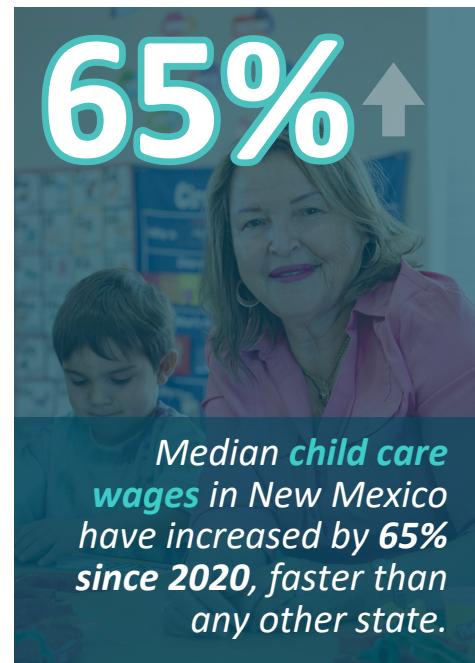
## Child Care Assistance Rate Broken Down by Operating Expense Categories

At the 4-Star Enhanced rate, a child care provider receives \$23,100 per year for one infant slot.

**This amount must cover all staffing, program, facility, and operational costs required to deliver high-quality care.**

### Breakdown of Expenses, by category

Category	Expense Type	% of Total
Personnel	Salaries	50%
	Mandatory personnel costs	5%
	Discretionary personnel costs	6%
Nonpersonnel	Education program (children and staff)	18%
	Occupancy	14%
	Program administration	2%
	Operating reserve	5%
	Total	100%



# \$57B

Across the country, **child care shortages push parents out of the workforce**, with total economic costs reaching up to \$57 billion per year.

Garcia, J. L., Heckman, J. J., Leaf, D. E., & Prados, M. J. (2016). There's more to gain by taking a comprehensive approach to early childhood development. The Heckman Equation.



**VISION:** All New Mexico families and young children are thriving



**MISSION:** Optimize the health, development, education, and well-being of babies, toddlers, and preschoolers through a family-driven, equitable, community-based system of high-quality prenatal and early childhood programs and services.



## Wage Scale and Career Lattice

A core ECECD priority for FY27 is to implement 1978 NMSA § 9-29-11(A)(3) that “requires a workforce development plan to include a career ladder, wage structure and professional development plan that applies to the full continuum of programs in the department.” The wage scale and career lattice aligns early childhood professionals’ wages to K-12 educators’ wages. The foundation of the wage scale is the wages paid to professionals. In addition to these infrastructure supports, ECECD invests in wages through direct service payment rates based on competitive compensation.

**The Executive FY27 budget request includes \$57 million over three years to implement the Wage Scale and Career Lattice Framework, which has been developed and finalized.**

	FY25 Actual	FY26 Projected	FY27 Proposed
<b>NM PreK and Head Start Parity</b>	\$2,482,595	\$4,100,000	\$4,175,008
<b>Wage Scale and Career Lattice</b>	--	--	\$19,000,000
<b>Infant Toddler Parity</b>	\$2,639,977	\$5,000,000	\$5,000,000
<b>Scholarships</b>	\$3,363,350	\$3,850,000	\$4,235,000
<b>Wage Supplement and Mentor Network</b>	\$575,000	\$575,000	\$575,000
<b>Bilingual Incentive Payment</b>	\$499,144	\$550,000	\$605,000
<b>Total System Supports</b>	<b>\$9,560,066</b>	<b>\$14,075,000</b>	<b>\$33,590,008</b>

## Next Steps

ECECD in spring 2026 will lead a small, cross-sector working group focused on four key implementation areas:

- **Establish** the administrative structures needed to flow funding to early childhood professionals according to the wage scale
- **Identify** feasible approaches to track and monitor wages and credentials using the Professional Development Information System (PDIS)
- **Generate** policies and procedures for measuring and crediting professional competencies gained through experience and education
- **Institute** a phased and targeted approach to full wage scale implementation

## Progress to Date:

- Lattice developed with cross-sector partners
- Refined with Early Childhood Education and Care Advisory Council
- Published final report: Wage Scale and Career Lattice Framework and Implementation Recommendations



(scan QR code to view)



## Newly Enrolled Families by County

A - G

H - R

R - V

County	Newly Enrolled Families
Bernalillo	4,299
Catron	1
Chaves	191
Cibola	27
Colfax	10
Curry	177
De Baca	14
Dona Ana	791
Eddy	121
Grant	39
Guadalupe	10

County	Newly Enrolled Families
Harding	0
Hidalgo	1
Lea	214
Lincoln	32
Los Alamos	96
Luna	28
McKinley	52
Mora	4
Otero	183
Quay	4
Rio Arriba	83

County	Newly Enrolled Families
Roosevelt	53
San Juan	321
San Miguel	59
Sandoval	693
Santa Fe	486
Sierra	9
Socorro	42
Taos	65
Torrance	19
Union	0
Valencia	282

TOTAL 8,406

13%

*Investments in early childhood education and care yield substantial long-term benefits for individuals and society—a 13% annual return on investment through improved outcomes in education, health, and economic productivity.*