

New Mexico
Early Childhood
Education & Care Department

NEW MEXICO'S UNIVERSAL CHILD CARE BLUEPRINT

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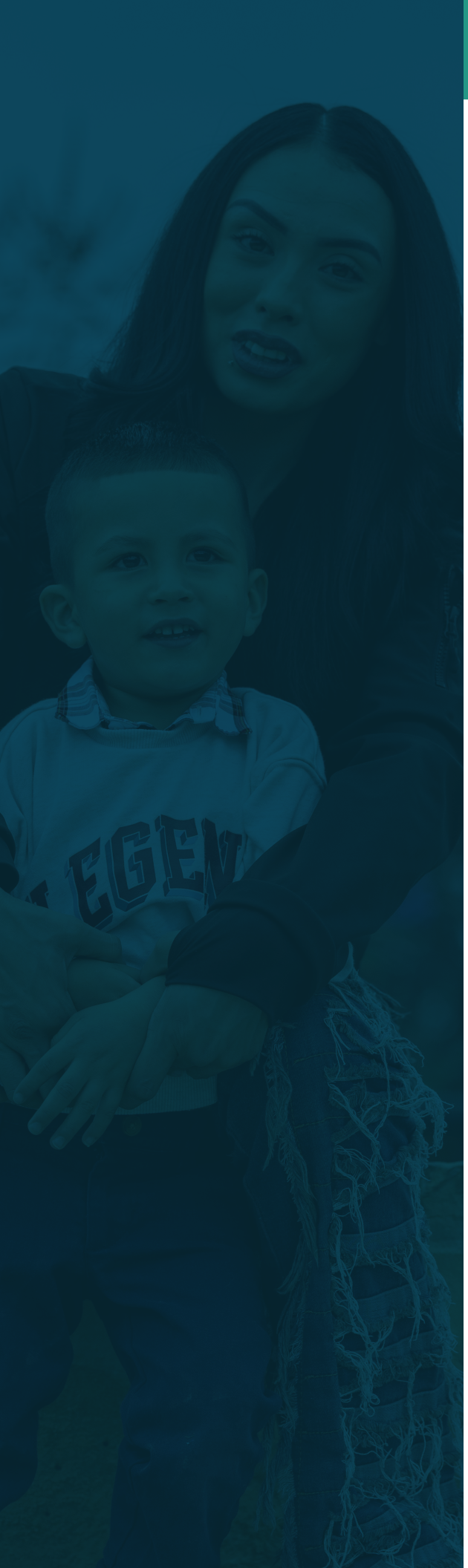


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EXECUTIVE SUMMARY

On November 1, 2025, New Mexico became the first state in the nation to implement free Universal Child Care, making it available to all families with children who are working or in school.

This historic achievement was not the result of a single policy change. It was the culmination of a deliberate, multi-year strategy led by Governor Michelle Lujan Grisham from 2019 to 2026 in partnership with the Legislature. This initiative built on decades of work by families, providers, advocates, Tribal communities, researchers, philanthropy, and previous state leaders. In March 2026, Governor Lujan Grisham signed legislation codifying Universal Child Care in state law, creating a durable statutory framework for free statewide access to child care, and paving the way to New Mexico's launch one year ago.

New Mexico built Universal Child Care with successive policy changes, strategic use of temporary federal resources, community engagement, and a concerted effort to build public and political support. At the same, state leaders strengthened the infrastructure, capacity and financing needed to make universal child care possible and sustainable.

This blueprint offers lessons for other states that hope to replicate New Mexico's success. It details the state's step-by-step transformation from targeted subsidy programs to a comprehensive family-centered early childhood system designed to make universal access possible and sustainable through five interconnected foundational elements. These include:

- **Strong governance:** New Mexico established a single, cabinet-level Early Childhood Education and Care Departments by consolidating three early childhood departments and centered the new agency on accountability and stakeholder engagement.

- **Sustainable, predictable funding and cost-based financing:** The state initiative secured permanent funding sources and shifted the calculus for child care reimbursement rates toward the actual cost of delivering quality care.

- **Early childhood workforce support:** New Mexico boosted provider compensation, expanded pay parity, and provided tuition free college and scholarships aimed at strengthening credentials and creating meaningful career pathways, while bolstering the state's workforce.

- **Expanded family-centered access:** The strategy gradually expanded child care eligibility and eventually removed the income limit entirely. It simplified access via technology upgrades and reduced barriers through policy updates.

- **Growing child care supply:** New Mexico invested in provider stability, infant and toddler care, the licensing of centers and homes and data-driven capacity expansion across the system.

New Mexico did not expand eligibility in isolation; it built the conditions that would make universal access viable. The state progressively increased Child Care Assistance eligibility from 150 percent of the federal poverty level (FPL) to 200 percent in 2019, to 350 percent in 2021, then to 400 percent in 2022, and ultimately to universal eligibility in 2025. This incremental approach recognized that universal eligibility is only meaningful when families can reliably find and afford high-quality care in their communities. At each stage, expanded access was paired with investments in financing, workforce compensation, provider supply, quality, and increasingly sophisticated technology and administrative infrastructure that prepared the system for implementation at statewide scale.

Universal Child Care represents both an historic achievement and an ongoing commitment. The work ahead will ensure that universal eligibility translates into reliable access to high-quality care in every community in New Mexico, supported by a stable workforce and reliable financing.

These policy changes and increased investments are generating measurable impact:

- ***81 percent of New Mexico young children are reported as flourishing*** – demonstrating curiosity, resilience, and positive social-emotional development.[1]
- ***More than 70%*** of New Mexico kindergarteners **are on track in individual developmental domains**, and **48%** are on track across all five.[2]
- ***Kindergarten literacy improved 13%*** in the 2024–25 school year.[3]
- The number of PreK students increased ***from 13,000 to over 20,000*** funded in FY26, reaching ***64% of 3-year-olds*** and ***84% of 4-year-olds in the state***, which includes Head Start, Title I, and Tribal programs.[4]
- ***Child Care Assistance*** reached an average of ***46,754 children per month in FY26, growing 141% from 19,366 children served in FY19***.[5]
- ***The child care workforce grew 64% from 2019 to 2024,*** even as the national child care workforce declined.[6]
- Infant and toddler ***reimbursement rates increased 109%*** since 2018.[7]
- ***Licensed child care capacity grew over 36% since 2019,*** reaching ***78,443 in FY27.***[8]

[1]US Census Bureau. National Survey of Children's Health (NSCH), New Mexico. Census.gov. https://www.census.gov/programs-surveys/nsch.html.
[2]New Mexico Early Childhood Education and Care Department (2024). Early Development Instrument (EDI). https://www.nmececd.org/edi-2/
[3]New Mexico Public Education Department (2025). Spring 2025 Student Assessment Results Briefing Packet.
[4]New Mexico Early Childhood Education and Care Department. (2026). Five-Year Finance Plan 2026-2030. https://www.nmececd.org/wp-content/uploads/2026/10/ECECD-Multi-Year-Finance-Plan-2026-2031_FINAL.pdf
[5]New Mexico Early Childhood Education and Care Department (2026). Universal Child Care Brief. https://www.nmececd.org/wp-content/uploads/2025/12/Universal-Child-Care-Brief-12-11-25_FINAL_REV2.pdf.
[6]Breidenbach, A., Bell, D., Estes, K. (2025). University of New Mexico Cradle to Career Policy Institute. ccpi.unm.edu/publications/publication/files/oews-data-brief1.pdf
[7]New Mexico Early Childhood Education and Care Department (2026).
[8]New Mexico Early Childhood Education and Care Department (2025). Annual Outcomes Report 2025. https://www.nmececd.org/wp-content/uploads/2026/01/2025-Annual-Outcomes-Report-_ENG.pdf

BUILDING THE CONDITIONS FOR UNIVERSAL CHILD CARE

New Mexico strengthened five interconnected system elements from 2019 to 2026.

STRONG GOVERNANCE

SUSTAINABLE AND PREDICTABLE FUNDING AND COST-BASED FINANCING

WELL-COMPENSATED AND CREDENTIALED EARLY CHILDHOOD WORKFORCE

FAMILY-CENTERED ACCESS

EXPANDED CHILD CARE SUPPLY

2019

Re-established Children's Cabinet Improved coordination of children's issues across state agencies.

Created ECECD Consolidated early childhood responsibilities in a cabinet-level department by enacting SB22.

Expanded eligibility Increased Child Care Assistance eligibility from 150 to 200 percent of the Federal Poverty Level (FPL).

Increased funding for PreK Served more children and expanded access to full-day PreK.

2020

Established Early Childhood Education and Care Fund. Enacted HB83 to provide stable, long-term support for high-quality early childhood programs through the Early Childhood Education and Care Fund (known as Early Childhood Trust Fund) and its companion, Early Childhood Education and Care Program Fund.

Operationalized ECECD Cabinet-level department began services.

2021

Implemented cost-based reimbursement rates Redesigned early childhood financing system from market rates to paying the actual cost of quality care.

Awarded COVID relief stabilization grants Released $160 million in grants to 1,000 child care providers during the pandemic.

Expanded eligibility Increased Child Care Assistance eligibility from 200 percent to 350 percent FPL and waived co-payments for families at or below 200 percent FPL.

Initiated PreK pay parity Aligned community-based PreK pay with school-based PreK teacher wages.

Published a Multi-Year Finance Plan 2023-2026 Statutorily-required plan addressed how many children were eligible and included the revenues needed for direct services and quality and infrastructure expenditures.

2022

Voters approved HB1 constitutional amendment to support early childhood education. Land Grant Permanent Fund (LGPF) amendment for distributions to support early childhood education.

Expanded eligibility Increased Child Care Assistance eligibility to 400 percent of the FPL and waived copayments for all eligible families.

Created local early childhood coalitions Supported local early childhood system-building coalitions focused on stronger state-local coordination and decision making.

Published *Florecer*, ECECD's first five-year strategic plan Established goals and objectives for alignment, accountability, and transparency.

Awarded Competitive Pay for Professionals (CPP) Grant $3 per hour increases in wages for early childhood educators.

Awarded COVID relief supply-building grants ECECD used federal COVID-19 relief funding to launch child care supply-building grants and expanded by 1,200 licensed capacity in communities in need of more care.

2023

Increased cost-based reimbursement rates Continued rate increases established a new wage floor of $15/hour for entry level and $20.74/hour for lead teachers.

Established the Early Childhood Education and Care Advisory Council. Developed recommendations for increased participation of children in programs.

Expanded PreK access PreK reached a record high with 17,530 funded students — a 21 percent increase from the previous year; Implemented dual and blended NM PreK enrollment with Head Start.

2024

Held Governor's Early Childhood Summit New Mexico's leaders came together for action planning in support of a universal early childhood system.

Inaugurated statewide supply and demand analysis Data-driven planning to expand capacity where it is most needed.

2025

Enacted HB71 doubling Early Childhood Education and Care Fund (Early Childhood Trust Fund) Required distributions of larger of $500 million annually or 5 percent of Fund's average value.

Updated cost-based reimbursement rates Established new wage floor of $18/hour for entry level and $24.89 for lead teachers.

Initiated infant toddler pay parity Extended pay parity program to infant and toddler educators.

Implemented Child Care Revolving Loan Fund Provided low-interest, long term financing to construct, renovate, and expand child care facilities.

Removed all income limits for child care eligibility and continued to waive co-payments New Mexico became the first state to guarantee universal child care.

2026

Earmarked $60 million for wages Child care assistance tapped to support wages aligned to the Wage Scale and Career Ladder.

Enacted SB96 child care zoning reform Revised zoning requirements to reduce structural barriers for providers.

Codified Universal Child Care Child Care Assistance Program Act created a durable statutory framework for statewide access.

Published *Florecer*, ECECD's 2027-31 Strategic Plan Established goals and strategic objectives for alignment, accountability, and transparency

Released Multi-Year Finance Plan 2026-2030 Statutorily-required plan addresses how many children are eligible and includes the revenues needed for direct services and quality and infrastructure expenditures.

EVIDENCE OF SYSTEM IMPACT

81% of New Mexico children ages 0–5 are flourishing, demonstrating curiosity, resilience, smiling and laughing.

> 70% of New Mexico kindergarteners are on track in individual developmental domains, and 48 percent are on track across all five developmental domains.

13% improvement in Kindergarten literacy in the 2024–25 school year.

64% growth in the child care workforce from 2019 to 2024, even as the national child care workforce declined.

65% growth in child care wages between 2019 and 2024, the steepest increase in the nation.

106% increase in infant and toddler standard reimbursement rates between 2018 and 2026.

32% growth in licensed child care capacity since 2019, reaching 77,301 in FY27.

INTRODUCTION



When Michelle Lujan Grisham ran for Governor in 2018, she made early childhood a centerpiece of her campaign, with the goal of providing free child care for all New Mexico families permanently. She championed the unequivocal personal and collective benefits of robust education and care during the earliest years of life rooted in the belief that such investments would improve the lives of all New Mexicans through stronger communities and a thriving state economy.

New Mexico has long faced significant challenges in this regard, typically ranking 50th for school attendance, child well-being, child poverty, and education proficiency. Children in New Mexico experience three or more Adverse Childhood Experiences (ACEs)— a significant risk factor for future educational, health, and mental health challenges.

Furthermore, child care costs are exorbitantly expensive for most families: infant care averages more than $14,000 annually, while care for a four-year-old averages nearly $10,000. For minimum-wage workers, infant care consumes 57 percent of annual earnings. Even in Santa Fe County, where the minimum wage is highest in the state at $14.60, infant care consumes 46% of annual earnings.[9] Child care shortages cost New Mexico an estimated $586 million annually in lost productivity, wages, and tax revenue.[10]

New Mexico's last-place position served as a rallying point for systemic change. Governor Lujan Grisham and the Legislature recognized child care would be the backbone of financial and educational support for families and allow parents to work, attend college, and lift the state out of poverty.[11] The response to this generational challenge demanded nothing short of complete transformation of the child care system to create lasting, durable change. To address the urgent needs of New Mexico families, support children's development and learning, and build a stronger workforce and state economy, the Governor and the Legislature drove dramatic change from 2019 to 2026. The influx of state investment has transformed the underlying economics of child care in New Mexico.

New Mexico also capitalized on an unprecedented infusion of federal resources during the COVID-19 pandemic to accelerate transformation of the state's child care system. New Mexico used the temporary funding not only to stabilize providers, but to test and advance structural reforms including cost-based reimbursement, workforce investments, supply expansion, and broader family access. These investments helped demonstrate what a more robustly funded child care system could look like and strengthened the case for permanent state financing.

Historically in New Mexico, child care assistance reached only a portion of families and therefore only a portion of the child care market, limiting the extent to which public reimbursement could serve as a reliable foundation for provider stability and workforce compensation. Beginning in 2019, New Mexico

[9]deCourcy, K., & Gould, E. (2025). Child care is unaffordable for working families across the country—including in New Mexico. Economic Policy Institute. https://www.epi.org/blog/child-care-is-unaffordable-for-working-families-across-the-country-including-in-new-mexico/

[10]Council for a Strong America. (n.d.). $122 billion: the growing, annual cost of the Infant-Toddler child care crisis. https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis

[11]NBC News. (2025). In U.S. first, New Mexico launches free child care for all. https://www.nbcnews.com/news/us-news/us-first-new-mexico-launches-free-child-care-rcna241516

pursued complementary strategies to address both sides of the system: expanding family eligibility while moving toward cost-based reimbursement to better align public payments with the actual cost of providing care. Together, these changes strengthened provider participation and financial stability and expanded access for families.

New Mexico built on this foundation by removing the family income limit and providing full coverage for eligible families using participating providers. With a larger share of families able to access assistance, reimbursement and rate-setting could function as systemwide infrastructure—supporting provider financial stability and, ultimately, workforce compensation across the child care system. This sustained work to align family access, provider reimbursement, and workforce compensation was the bedrock of Universal Child Care's (UCC) foundation.

Governor Lujan Grisham delivered on her campaign promises by collaborating with the Legislature on key policy changes and strategic investments to create a complete Cradle to Career support system that culminated with her signing UCC into law at a Santa Fe child care facility in March 2025, while surrounded by cheering families and providers who gathered to witness the historic moment.
Today, New Mexico is the only state in the nation to offer its residents both tuition-free college and no-cost child care. By making child care accessible to all families, New Mexico is supporting working parents and their children, improving family stability, and growing its economy. New Mexico is a national model for building and sustaining a high-quality early care and education system, and state leaders — including Governor Lujan Grisham — are committed to assisting other states with similar aspirations.



FOUNDATIONAL ELEMENTS



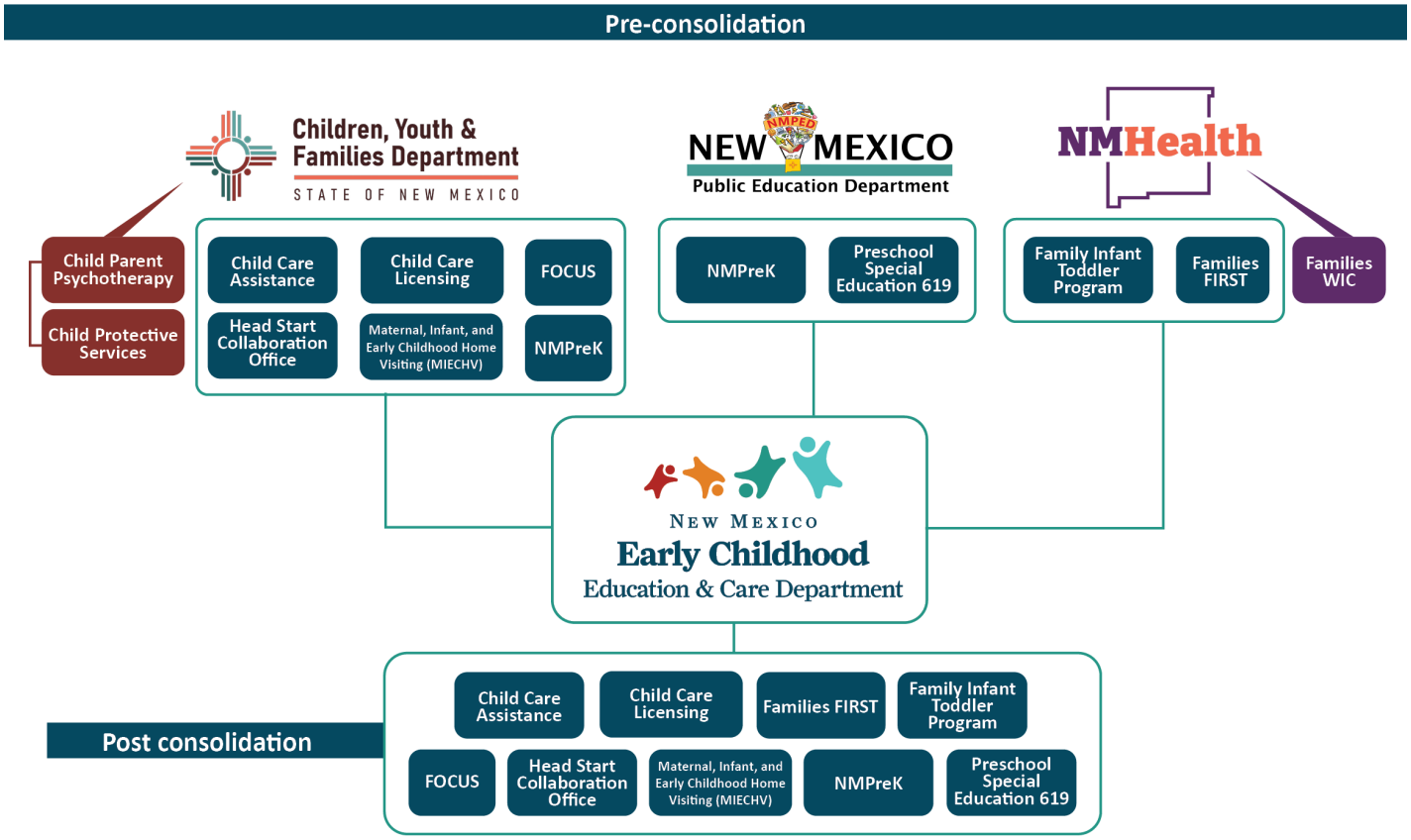
Universal Child Care was made possible by five interconnected elements that worked in tandem to transform New Mexico's early childhood system into a modern, cohesive infrastructure responsive to the needs of children and families. Within each element, numerous policy changes were implemented by a collaborative internal team working closely with advocates, families, Tribal leaders, and community partners. Together, the five elements enabled the state to move beyond incremental reform toward a cohesive model of UCC. The following sections discuss the changes, the timeline, and the results.

Element 1: Strong Governance

Strong governance was foundational to New Mexico's move to universal access across its early childhood education and care system. The creation of a cabinet-level department dedicated exclusively to early childhood established clear accountability. New Mexico's governance strategy focused on building the administrative, regulatory, planning, and technology infrastructure needed to translate its ambitious policy into practice, while creating mechanisms for sustained stakeholder participation and accountability. Together, these elements enabled the state to coordinate a growing and increasingly complex system, respond to provider and family needs, and ultimately implement UCC at statewide scale.

- **Established a single accountable early childhood state entity:** New Mexico's first step was to create the institutional capacity to manage an increasingly complex early childhood system. Before 2020, responsibilities were dispersed across multiple agencies, creating fragmented policies and experiences for families and providers. In 2019, the Governor and Legislature established ECECD as a single Cabinet-level agency through SB 22, the Early Childhood Education and Care Department Act of 2019 (ECECD Act), enabling the state to unify governance and elevate early childhood education and care. In late 2019, Elizabeth Groginsky became ECECD's first Cabinet secretary. The ECECD Act established a distinctive commitment to government-to-government relationships with Tribal Nations through the Assistant Secretary for Native American Early Education and Care, making ECECD the nation's first state-level early childhood agency to dedicate a senior position to Native children and their families. The Governor reintroduced the Children's Cabinet in 2019 to coordinate state agencies whose policies affect children and families. The 2023 transfer of the preschool special education coordinator from the Public Education Department to ECECD further strengthened birth-to-five continuum coordination.

See consolidation chart on next page. →



- **Operationalized universal expansion through statute and rulemaking:** ECECD's statutory authority to promulgate rules provided the foundation for translating legislative policy into operational requirements. In 2025, ECECD undertook a formal rulemaking process to amend regulations governing child care assistance, licensing, and non-licensed care, establishing the regulatory framework to implement UCC statewide. New Mexico's historic universal child care program was codified in 2026 with the passage of SB 241, the Child Care Assistance Program Act. The statute sets forth the program structure designed to meet the needs of children and families, support the essential staff who care for our children, and promote a stable child care sector that can meet the needs of families to strengthen New Mexico's economy. The Child Care Assistance Program Act promotes quality care that supports children's development, competitive compensation for the staff that provides this service to children and families and incentivizes supply growth and stable business operations so parents can find the child care that meets their needs.
- **Strengthened internal infrastructure and technology for implementation:** From its inception, ECECD invested in administrative and technology infrastructure to manage growing participation and support statewide implementation of UCC. Online application, licensing, registration, and provider-management systems reduced paper-based processes, improved data sharing, and increased administrative efficiency. In 2020, ECECD expanded the Enterprise Provider Information and Constituent Services (EPICS) system with a provider dashboard and launched two online tools – Child Care Finder and "Am I Eligible?" – to improve family access. In 2026, alongside the start of Universal Child Care, ECECD initiated the Professional Development Information System (PDIS) to modernize key regulatory functions and inform workforce development efforts.

- **Institutionalized stakeholder participation:** New Mexico's governance approach recognized that effective system-building requires sustained participation from the people who use, deliver, and shape early childhood services. ECECD incorporated this input into strategic planning, regulatory development, and the design of administrative and technology systems. In 2022, ECECD established the Early Childhood Education and Care Advisory Council, institutionalizing stakeholder participation in policy development and system oversight. ECECD funded Local Early Childhood System Building Coalitions in 2022 to bring families, providers, and local leaders together to identify needs, develop strategic plans, coordinate services, and help inform the prenatal to five early childhood system. This emphasis on engagement extended beyond individual initiatives drawing on input from constituents across New Mexico. Sustained engagement also contributed to the broader public and political support necessary for increasingly ambitious investments and policy changes. Governor Lujan Grisham elevated child care as a central policy priority, while advocates, providers, families, Nations, Pueblos, and Tribes (NPTs), and other partners helped build the public will and political support needed to advance and sustain the state's UCC strategy, including convening the Governor's Early Childhood Summit in 2024 to develop actions in support of the universal early child care system.[12]
- **Aligned strategy, investment, and implementation:** Strategic planning established shared priorities, measurable impact, and a framework for aligning investments. The ECECD Act required the development of a multiyear financial plan. This plan, which was updated in 2026, established multiyear revenue and expense projections by incorporating service needs, projected service growth, and costs (direct services, quality and infrastructure) across child care, early intervention, home visiting, and PreK. ECECD also recognized the contribution of strategic planning and its implementation. The Department's *Florecer* Strategic Plan (initially drafted in 2022, updated in 2026) established goals and objectives for alignment, accountability, and transparency on the direction for the department's work, with annual reports to track implementation and progress. The initial Early Childhood Strategic Plan (2021-2024) incorporated input from constituents and established statewide priorities for the early childhood system. Together, these planning mechanisms helped connect governance, stakeholder input, fiscal strategy, and implementation over time.



[12]Office of the Governor Michelle Lujan Grisham, New Mexico Early Childhood Education and Care Department (2024). Building New Mexico's Future: Governor Lujan Grisham's Early Childhood Summit Report. 2024. https://www.nmececd.org/wp-content/uploads/2025/01/ECECD_Governors-Summit-Report_2024.pdf

STRONG GOVERNANCE CHRONOLOGY

Year	Key Policy Actions	Results
2019	Created ECECD and consolidated early childhood programs under a cabinet-level agency, with statutory rule-making authority. The ECECD Act created an Assistant Secretary for Native American Early Education and Care, making ECECD the nation's first state early childhood department with a dedicated senior position focused on Native children and their families. Re-established the Children's Cabinet to coordinate focus on children's issues across state agencies.	Established a single accountable early childhood state entity and strengthened cross-agency coordination.
2020	ECECD expanded the Enterprise Provider Information and Constituent Services (EPICS) system with a provider dashboard and launched two online tools– Child Care Finder and "Am I Eligible?".	Strengthened internal infrastructure and technology for implementation.
2021	Published the statutorily required Four-Year Finance Plan, integrating data on need, projected service growth, and costs for direct services and infrastructure across child care, early intervention, home visiting, and PreK.	Aligned strategy, investment, and implementation.
2022	Created local early childhood system-building coalitions focused on stronger state-local coordination and decision making. Published the department's five-year, system-wide *Florecer* Strategic Plan (2022–2027).	Institutionalized stakeholder participation. Aligned strategy, investment, and implementation.
2023	Established the Early Childhood Education and Care Advisory Council. Transferred the preschool special education coordinator to ECECD through a detailed Memorandum of Understanding with the Public Education Department.	Institutionalized stakeholder participation. Established a single accountable early childhood state entity.
2024	Held Governor's Early Childhood Summit.	Institutionalized stakeholder participation.
2025	Used established governance, administrative, and technology infrastructure to implement Universal Child Care.	Operationalized universal expansion through rulemaking.
2026	Codified Universal Child Care and strengthened system infrastructure. Launched the Professional Development Information System (PDIS). Published *Florecer*, ECECD's 2027-2031 Strategic Plan. Released Multi-Year Finance Plan 2026-2030.	Strengthened internal infrastructure and accountability, and aligned strategy and investments for statewide implementation.



Element 2: Sustainable and Predictable Funding and Cost-Based Financing

Achieving UCC was the result of deliberate, sequential, and strategic financing methodologies to ensure permanent, sustained, and increased funding for child care. Key funding initiatives include establishing sustainable funding streams into law, developing a multi-year finance plan, implementing an innovative cost-model approach applied systematically across ECECD's core programs. The department leveraged rate setting as critical infrastructure to increase workforce wages serving as the backbone of universality and creating predictability and stability in the field.

- **Established sustainable state-based funding streams:** The Early Childhood Education and Care Fund and Land Grant Permanent Fund (LGPF) created recurring revenue streams for early childhood, reducing reliance on annual state general fund appropriations. Combined with distributions from the General Fund, federal, and other sources, these investments significantly expanded and diversified funding for New Mexico's early childhood system. First, New Mexico established the Early Childhood Education and Care Fund, commonly referred to as the Early Childhood Trust Fund (ECTF) through House Bill 83. The fund provides a stable and long-term source of support for high-quality early childhood programs and services, from pregnancy through age five. House Bill 83 also established a companion Early Childhood Education and Care Program Fund, which receives a yearly distribution from the ECTF. Each year, the program fund now receives at least $500 million, or 5 percent of the ECTF's three-year average value, whichever amount is greater. Second, in 2022, voters approved HB1, a constitutional amendment directing .60% of annual LGPF distributions to support early childhood education. In 2023, the legislature appropriated $109 million to New Mexico PreK. These revenues were used to increase instructional hours, improve teacher compensation, and increase access to NM PreK for 3,000 more 3 and 4 year-olds.
- **Aligned fiscal strategies with multi-year finance plans:** ECECD's multi-year finance plans provide a framework for aligning investments and supporting the funding and governance structures needed across the prenatal-to-five system. The 2026 plan builds on the Four-Year Finance Plan published in 2021, using cost modeling for direct services and population-need estimates to project multi-year costs and investments.[13] Together, the plans establish a fiscal vision and tools to project need, cost, and revenue; align financial projections with strategic priorities; guide governance, financing, quality, monitoring, and accountability; and align state and federal partners, NPTs, advocates, business, and philanthropic entities, around a shared fiscal strategy.
- **Implemented child care cost model and rate setting as infrastructure:** In 2021, New Mexico became an early adopter of using a cost model to inform rate setting for child care assistance rather than relying on market prices, and in 2026, with SB 241, a cost model is required for rate setting. The model estimates the actual cost of providing care across provider types, geographic regions, ages, and quality levels, including compensation and full operations of a child care program. This shift recognized that market prices are constrained by what families can afford and can perpetuate underinvestment in providers and the workforce. By tying reimbursement to the cost of quality care, New Mexico created a more predictable mechanism

[13]New Mexico Early Childhood Education and Care Department (2021). The New Mexico Early Childhood Education and Care Department Four-Year Finance Plan 2023-2026. https://www.nmececd.org/wp-content/uploads/2021/12/ECECD-Four-Year-Finance-Plan-12.9.2021.pdf

for strengthening provider financial stability and supporting higher compensation. Subsequent rate increases strengthened provider stability as they consistently reflected increases in cost of operations and increases in workforce compensation in the cost model tool. From 2018 to 2026, the rates for infants and toddlers increased by an average of 106 percent for the standard rate and by an average of 129 percent for the enhanced rates. For all types of care, all ages, all quality levels, from 2018 to 2026 rates increased by an average of 76 percent for standard rates and an average of 94 percent for enhanced rates. By moving to a cost-based approach to setting child care assistance reimbursement rates, New Mexico has ensured that these rates reflect the cost reality of providers.

- **Deployed federal relief dollars to bolster child care businesses:** New Mexico used its federal COVID-19 relief funding to stabilize providers during the pandemic, increased the amount the state pays providers, built centers, improved provider capacity, and made child care free for most families.[14] In 2021, ECECD distributed nearly $160 million in federal relief to more than 1,000 child care programs, supporting provider stability, compensation, benefits, and learning environments. In 2022, ECECD invested $12 million in supply-building grants that added capacity for more than 1,200 children and $77 million through the Competitive Pay for Professionals initiative to increase wages by $3 per-hour statewide. Additional federal investments directly supported providers and increased licensed capacity by approximately 2,500.
- **Implemented PreK dual and blended funding:** New Mexico maximized existing public investments by braiding federal, state, and local funding streams. Through dual enrollment, children can receive both Head Start and PreK services, with PreK funding supporting the additional cost of extending the Head Start day and year. Through blended enrollment, Head Start classrooms can use existing facilities, staff, and infrastructure to serve additional PreK-only children. These strategies use complementary funding streams to increase capacity, extend hours, and reach more children without duplicating entire programs or infrastructure.
- **Removed state tax barriers for licensed child care**: Through HB 254, exempted licensed providers from the Gross Receipts Tax, which removed a significant cost barrier for providers serving low income families.



[14]Parks, C. (2022). She crossed New Mexico on a mission: Transform the child-care industry. The Washington Post. https://www.washingtonpost.com/dc-md-va/2022/11/04/new-mexico-child-care-elizabeth-groginsky/



SUSTAINABLE AND PREDICTABLE FUNDING AND COST-BASED FINANCING CHRONOLOGY

Year	Key Policy Actions	Results
2020	Established The Early Childhood Education and Care Fund (commonly known as Early Childhood Trust Fund) and companion Early Childhood Education and Care Program Fund.	Established sustainable state-based funding streams.
2021	First state[15] to implement a cost-estimation model for child care assistance rate setting. Deployed $160 million in federal COVID relief through Child Care Stabilization and Recovery Grants (CCSRG).	Implemented child care cost model and rate setting as infrastructure. Deployed federal relief dollars to bolster child care businesses.
2022-24	Passed a constitutional amendment to use the Land Grant Permanent Fund for early childhood education. Expanded cost-based child care assistance reimbursement rates in 2023 and 2024. Implemented dual and blended NM PreK enrollment with Head Start. Through HB 254, removed child care assistance from gross receipts tax for licensed child care.	Established sustainable state-based funding streams. Implemented child care cost model and rate setting as infrastructure. Implemented PreK dual and blended funding. Removed state tax barriers for licensed child care.
2025	Governor signed HB71, doubling recurring investment from the Early Childhood Trust Fund.	Established sustainable state-based funding streams.
2026	Codified the long-term financing framework for Universal Child Care.	Strengthened the durability and predictability of UCC financing.

[15] following DC



Element 3: Well-compensated and credentialed early childhood workforce

A strong prenatal-to-five system requires a stable workforce and a pipeline of future talent. The Governor, Legislature, and ECECD pursued coordinated investments in compensation and workforce reforms to make early childhood careers more competitive, reduce disparities, and create pathways for advancement using the multi-year Finance Plans to support adequate funding and sustained growth. This strategy positioned New Mexico nationally as a compensation leader, delivering the steepest increase in median annual child care wages from 2019 to 2024. New Mexico child care employers reported a 65% increase compared to the country's overall 32% increase for the same period.[16] Key facets of the workforce approach include compensation, credentialing, and quality supports.

Compensation

- **Established cost model and improved reimbursement rates reflecting higher compensation levels:** ECECD intentionally modeled compensation assumptions above wages reported in the field when setting rates, reflecting a policy choice to invest in workforce recruitment and retention. As compensation accounts for approximately 60% of the cost of care, higher compensation increased the modeled cost of care and subsequently informed higher reimbursement rates.[17] The salary scales used in the cost model informed rate-setting – incorporating higher compensation by quality level and creating a foundation for the statewide Wage Scale and Career Ladder. This foundation supported minimum compensation requirements under an Enhanced Rate in 2025. In 2020, the wage floor was $12.10 per-hour in 2020 for licensed programs, the highest minimum-wage in New Mexico at the time, with increasing wage floors for higher levels of quality. The wage floor increased in 2023 to $15 per-hour for entry-level staff and $20.74 per-hour for lead teachers. In 2024, it was updated to a wage floor of $18 per-hour for entry-level and $24.89 per-hour for lead teachers, retaining an increase in wage floors at higher levels of quality. In 2025, at the start of UCC, ECECD established a new Enhanced Rate for providers who opt-in to meet minimum wage requirements for entry level staff and agree to be open at least 10 hours per day, 5 days a week.
- **Established PreK, Head Start, and infant-toddler pay parity:** New Mexico's pay parity initiatives address a persistent inequity: educators with comparable credentials and experience often earn less in community-based settings than counterparts in public schools. PreK Pay Parity began in 2021 and then expanded to Head Start. In 2025, Governor Lujan Grisham and the Legislature added a three-year, $5 million annual appropriation for Infant-Toddler Educator Pay Parity.
- **Further aligned child care assistance reimbursement rates with the established wage scale and career ladder framework:**[18] The Legislature earmarked $60 million for wages using child care assistance payments aligned to the Wage Scale and Career Ladder. The framework links job classifications, competencies, credentials, and salary expectations to transparent wage progression across child care.
- **Awarded Competitive Pay for Professionals (CPP) Grant:** With an initial investment of $77 million from the American Rescue Plan Act, the CPP grant offered $3 per-hour wage increases for eligible child care employees.

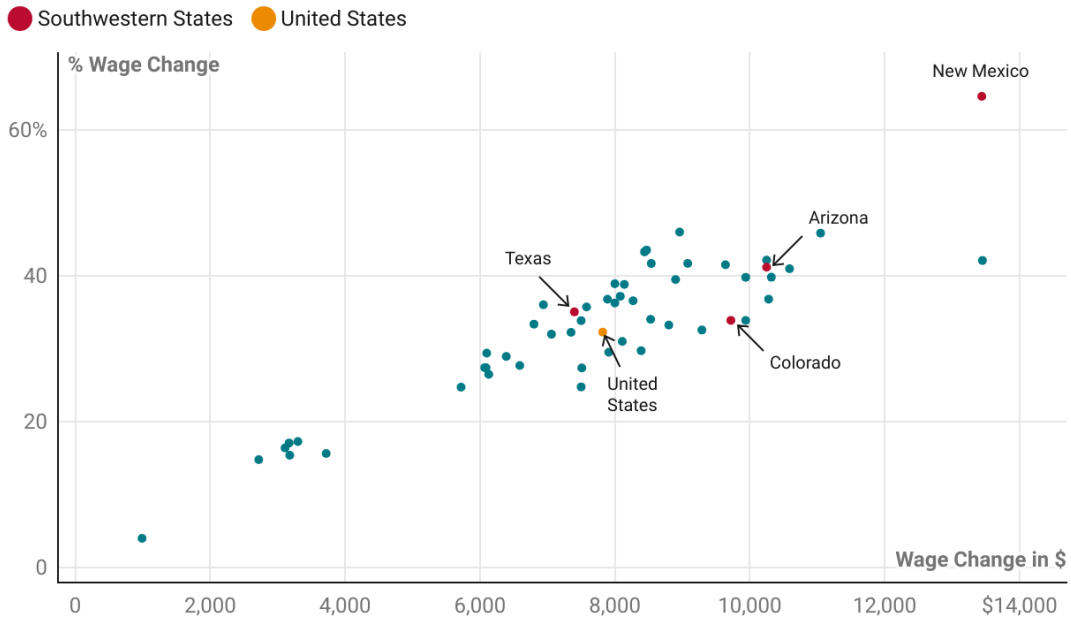
[16] Breidenbach et al. (2025)
[17] Capito, J., Rodriguez-Duggan, J., Workman, S. (2021). Understanding the cost of quality child care in New Mexico: A cost estimation model to inform subsidy rate setting. Prenatal to Five Fiscal Strategies.
[18] New Mexico Early Child Care and Education Department. (2025). Wage Scale and Career Lattice Framework and Implementation Recommendation. Wage-Scale-ECECD-Report_12825.pdf. The framework links job classifications, competencies, credentials, and salary expectations to transparent wage progression across child care, home visiting, early intervention, and PreK.

Credentialing and Quality Supports

- **Provided scholarships:** New Mexico invested in early childhood career pathways through partnerships with public universities, community colleges, and Tribal colleges and universities. ECECD's Scholarship and pay incentive programs provide tuition, textbook assistance, and incentives tied to educational attainment such as apprenticeship and pre-apprenticeship programs that combine paid, on-the-job learning with coursework. In 2022, ECECD used COVID-19 relief funding to support the Early Childhood Educator Student Success Grant, providing up to $2,000 per semester for individuals pursuing associate's and bachelor's degrees. These investments complemented New Mexico's tuition free college initiative.
- **Expanded investments in Native American early childhood providers:** Through its Tribal Investment Strategy, ECECD used intergovernmental agreements (IGAs) with Nations, Pueblos, and Tribes to direct resources to Tribal early childhood priorities, including educator retention and stipends, professional development, cultural and linguistic programming, and program capacity. For example, FY2025 IGAs included $36,000 for educator retention stipends at Santa Clara Pueblo and $81,000 for educator stipends, family engagement, and language instruction at Ohkay Owingeh. ECECD also partnered with Tribal higher education institutions, including Navajo Technical University, Southwestern Indian Polytechnic Institute, and the Institute of American Indian Arts, to expand access to early childhood education and career pathways that are culturally and linguistically responsive.
- **Deepened educator coaching and quality supports:** ECECD provides statewide coaching, technical assistance, and quality improvement planning to help child care providers improve quality and business operations. In late 2023, ECECD launched SEED (Social Emotional Early Development), a statewide infant and early childhood mental health consultation initiative for the child care workforce to improve teachers' competencies and confidence in supporting children's social and emotional development and reduce workforce stress and turnover.
- **Improved FOCUS verification for eligible programs:** Nearly half of New Mexico's licensed child care capacity is in 5-star programs with more than 54% of 5-star providers earning that designation through the FOCUS quality improvement pathway.



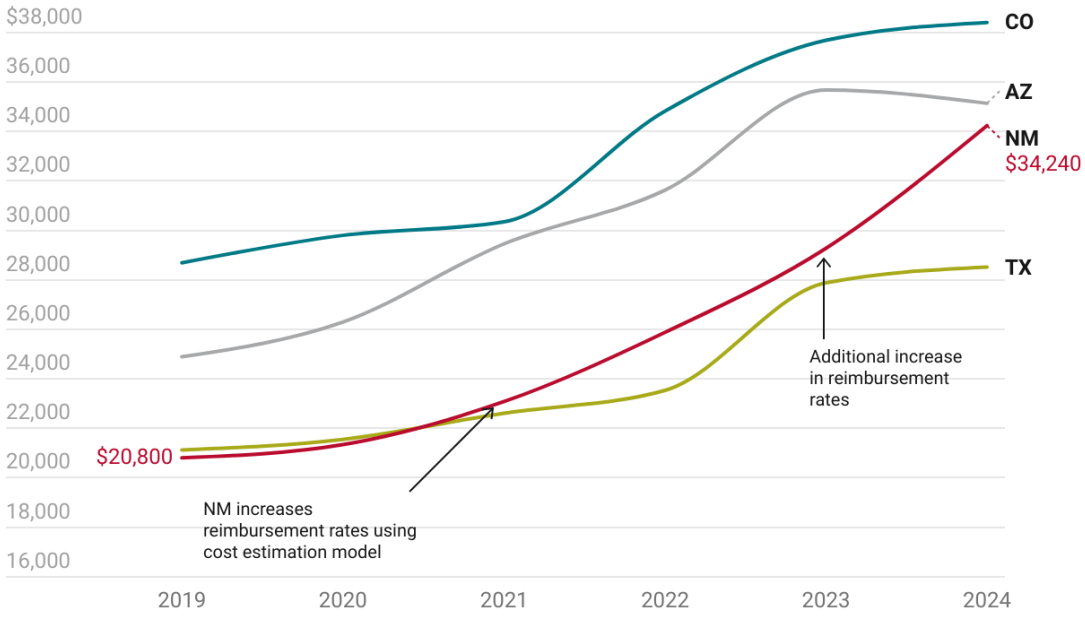
CHILD CARE WAGES IN NM GREW MORE THAN IN ANY OTHER STATE



Occupational Employment and Wage Statistics (OEWS) program data from the Bureau of Labor Statistics. Annual estimates of employment and wage levels for over 800 occupations, including the childcare workers occupation (39-9011).

Chart: UNM CCPI - Source: Bureau of Labor Statistics - Created with Datawrapper

WHEN REIMBURSEMENT RATES INCREASE, SO DO WAGES



Occupational Employment and Wage Statistics (OEWS) program data from the Bureau of Labor Statistics. Annual estimates of employment and wage levels for over 800 occupations, including the childcare workers occupation (39-9011).

Chart: UNM CCPI - Source: Bureau of Labor Statistics - Created with Datawrapper

WELL-COMPENSATED AND CREDENTIALED EARLY CHILDHOOD WORKFORCE CHRONOLOGY

Year	Key Policy Actions	Results
2020	Built the foundation for a coordinated workforce and quality strategy. Incorporated a $12.10 per-hour compensation assumption as the wage floor in the cost-based child care assistance rate model—the highest minimum-wage assumption in New Mexico at the time.	Established cost model and improved reimbursement rates to increase compensation.
2021	Established PreK and Head Start pay parity. Implemented cost-based reimbursement rates based on cost model. Expanded partnerships with Tribal higher-education institutions, including Navajo Technical University and Southwestern Indian Polytechnic Institute.	Established PreK and Head Start and pay parity. Established cost model and improved reimbursement rates to increase compensation. Expanded investments for Native American early childhood providers.
2022	Awarded Competitive Pay for Professionals (CPP) Grant. Launched the Early Childhood Educator Student Success Grant, providing up to $2,000 per semester for professionals pursuing associate and bachelor's degrees.	Awarded Competitive Pay for Professionals Grant. Provided scholarships.
2023	Incorporated a salary scale into the cost model, with compensation assumptions of $15 per-hour for entry-level staff and $20.74 per-hour for lead teachers. Initiated SEED mental health consultations for providers.	Established cost model and improved reimbursement rates to increase compensation. Deepened educator coaching and quality supports.
2024	Scaled coaching and quality supports.	Deepened educator coaching and quality supports. Provided scholarships.
2025	Extended pay parity to infant and toddler educators. Child care assistance reimbursement rates were modeled using $18 per-hour wage floor for entry-level and $24.89 per-hour for lead teachers in licensed and 2+ quality rated programs.	Established infant-toddler pay parity. Established cost model and improved reimbursement rates to increase compensation.
2026	Legislature earmarked $60 million for wages using child care assistance payments aligned to the Wage Scale and Career Ladder.	Further aligned child care assistance reimbursement rates with the established wage scale and career ladder framework.



Element 4: Family-Centered Access

Universal Child Care requires more than removing income eligibility limits; families must be able to find care that is affordable, available, culturally responsive, geographically accessible, and aligned with their needs. Since 2019, New Mexico has expanded access through phased eligibility increases, a diverse mixed-delivery system, and targeted policies addressing barriers faced by historically underserved families. ECECD has strengthened government-to-government relationships with New Mexico's Nations, Pueblos, and Tribes and supported culturally and linguistically responsive programs and services. Universal Child Care further reduces financial barriers and stigma by making assistance available to families across the income spectrum.

- **Centered participatory design with families, providers, and communities:** ECECD used ongoing community engagement to inform system design and implementation, working with 18 statewide early childhood coalitions and, in preparation for UCC, partnering with them on outreach, including Community Conversations and a statewide roadshow. The Office of the Assistant Secretary for Native American Early Education and Care held the Sacred Beginnings Learning Tour and engaged in consultations with Tribal leaders. Stakeholder feedback has been incorporated into the statewide birth-to-five needs assessments, including a Native American Perspectives Report. These efforts helped identify barriers and shape implementation across urban, rural, frontier, and Tribal communities.
- **Phased eligibility expansion to increase access:** New Mexico expanded child care assistance incrementally while building the infrastructure needed to support growing demand. When the income cap was removed on November 1, 2025, approximately 25,000 additional children became eligible for assistance. Of the families that entered the program since UCC initiated, 65 percent were already eligible under the previous income threshold, suggesting that universal eligibility also increased awareness and reduced stigma.
- **Removed barriers to family-centered access:** ECECD expanded family-centered access by removing immigration-status barriers, introducing presumptive eligibility, and eliminating work or school requirements for families facing circumstances that can make traditional eligibility requirements especially burdensome—including grandparents and kinship caregivers, families experiencing housing instability or child welfare involvement, and families caring for babies born substance-exposed.
- **Invested in mixed delivery system to support family choice:** New Mexico's mixed-delivery system gives families choices among licensed centers and homes, registered home providers, Tribal and language-immersion programs, faith-based programs, and care during nontraditional hours, including weekends. Through SB 241 (2026), child care providers are required to identify and refer at-risk children to early intervention (FIT), home visiting, or Tribal services; pursue training on how to identify and refer at-risk children; and ensure early intervention professionals have access to child care settings.
- **Increased access to infant and toddler care:** Infant and toddler care is among the most expensive and difficult care for families to find. As of October 2026, nearly 40 percent of children enrolled in child care assistance since UCC started are infants and toddlers, for a total of 11,105 infants and toddlers.

- **Expanded NM PreK access:** Large NM PreK expansions were part of the Governor's five-year plan to make NM PreK available to all 3- and 4-year-olds—helping advance New Mexico toward universal PreK. By 2023, NM PreK reached a record high with 17,530 funded students—a 21 percent increase from the previous year.
- **Simplified administrative processes and systems:** ECECD redesigned eligibility and technology systems to support universal enrollment while reducing administrative burden. The systems were stress-tested ahead of the November 2025 launch to prepare for increased demand.

FAMILY-CENTERED ACCESS CHRONOLOGY

Year	Key Policy Actions	Results
2019	Child care assistance eligibility expanded from 150 percent federal poverty level (FPL) to 200 percent. Increased funding for NM PreK.	Phased eligibility expansion to increase access. Expanded PreK access.
2020	Conducted the statewide Birth-to-Five Needs Assessment and Native American Perspectives report, engaging thousands of New Mexicans.	Centered participatory design with families, providers, and communities.
2021	Expanded eligibility from 200 percent FPL to 350 percent FPL. Waived co-payments for families at or below 200 percent FPL.	Phased eligibility expansion to increase access.
2022	Child care assistance eligibility expanded from 350 percent FPL to 400 percent FPL. Waived co-payments for all eligible families.	Phased eligibility expansion to increase access.
2023	NM PreK reached a record high with 17,530 funded students— a 21 percent increase from the previous year.	Expanded NM PreK access.
2025	Removed income as a requirement for child care assistance eligibility, eliminated immigration-status barriers, expanded kinship eligibility, and simplified enrollment. Conducted a statewide UCC Roadshow and Community Conversations to engage providers, families, educators, and community partners around implementation of UCC. Launched the Sacred Beginnings Learning Tour to strengthen government-to-government relationships and gather Tribal perspectives on early childhood priorities. Redesigned and stress-tested eligibility and technology systems for universal enrollment, reducing administrative burden and preparing for increased demand.	Phased eligibility expansion to increase access. Universal access implemented. Centered participatory design with families, providers, and communities. Simplified administrative processes and systems. Expanded eligibility to nearly 39,000 infants and toddlers.



Element 5: Expanded Child Care Supply

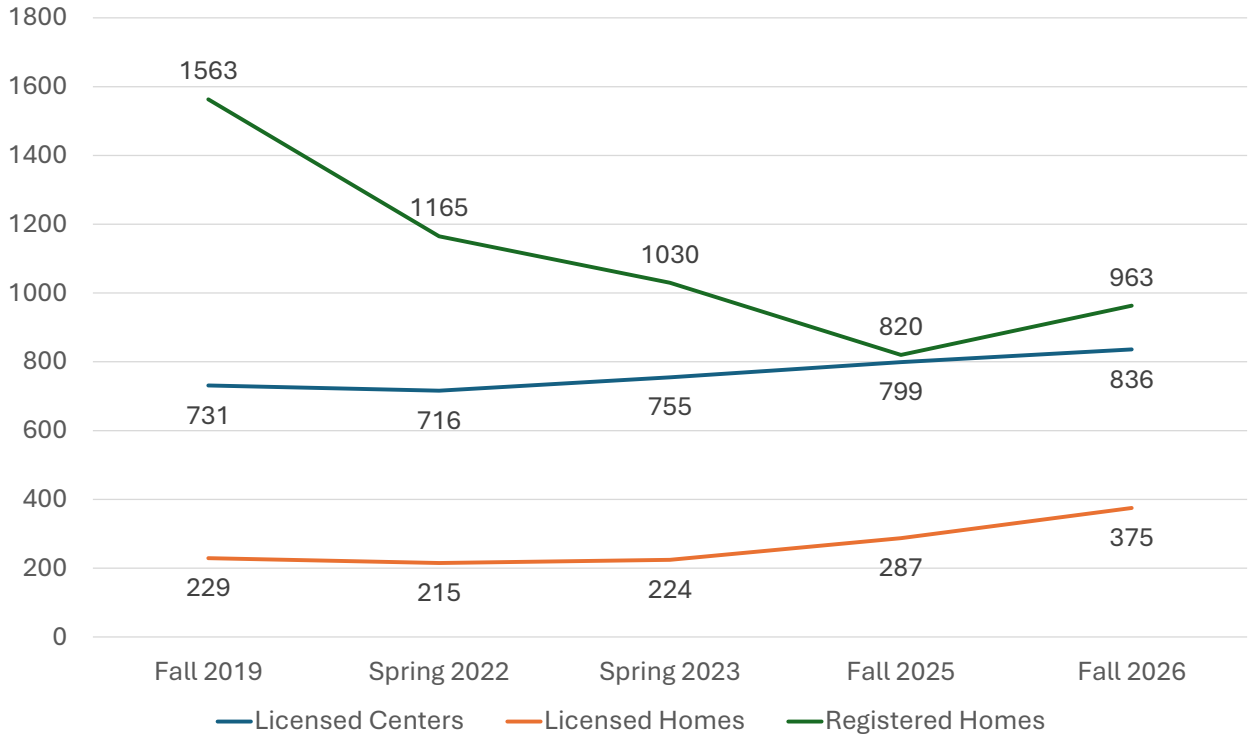
Expanding eligibility is only sustainable if families can find care. New Mexico paired access reforms with investments in provider capacity, facilities, business supports, regulatory reform, and data-driven supply expansion to help providers open, expand, and sustain child care facilities in urban, rural, frontier, and Tribal communities across the state.

- **Implemented participatory design and community engagement:** In 2022, Secretary Groginsky and ECECD staff held 20 listening sessions across the state with providers about the effects of the pandemic investments and the challenges that remained. Federal relief had stabilized their programs and helped them remain open, but temporary funding could not provide the certainty needed to sustain higher wages, benefits, and staffing over time. The listening tour reinforced a central principle: stabilizing child care required more than one-time relief—it required changing the underlying economics of the sector.[19]
- **Expanded Access for Native American Children and Families:** Through strengthened government to government partnerships, the state invested in the construction, expansion, and improvement of early childhood facilities on sovereign lands. These efforts included new child care facilities in the Pueblos of Jemez, Sandia, Santo Domingo, and Zia. From FY19 through FY26, nearly $47 million was dedicated to supporting the long term sustainability of Native led early childhood education and care systems, ensuring that tribal communities have the infrastructure needed to provide high quality, culturally grounded services for children and families.
- **Invested COVID-19 relief money in supply building:** Through flexible federal resources, $12 million was awarded to New Mexico child care providers and the state expanded by 1,200 its licensed capacity.
- **Increased reimbursement rates informed by cost:** Increases in the reimbursement rate drove an increase in supply by supporting providers to more fully cover their operational costs, compared to the market price-informed rates that were significantly lower and inadequate.
- **Leveraged data-driven strategy to identify gaps and target investments:** New Mexico has used data, community input, and ongoing system assessment to identify gaps and target investments. In 2024, ECECD commissioned a statewide Supply and Demand Study, which identified a need for approximately 15,700 additional child care spaces, including more than 12,000 infant and toddler spaces. The study also noted a 54 percent decline in registered homes since 2017, as well as regional differences in availability and barriers to expansion. Provider mapping, data dashboards, birth projections, population forecasts, and workforce participation data allow the state to track capacity, identify child care deserts, and anticipate future demand.
- **Expanded registered homes:** ECECD has addressed the decline in registered homes by simplifying registration requirements, eliminating registration fees, and removing the requirement that registered providers participate in the federal nutrition program. Additionally, major increases were made in child care assistance: from FY23 to FY25, infant/toddler rates went up by 55 percent. Outreach encourages informal caregivers already serving families to become registered and receive payment for their services.

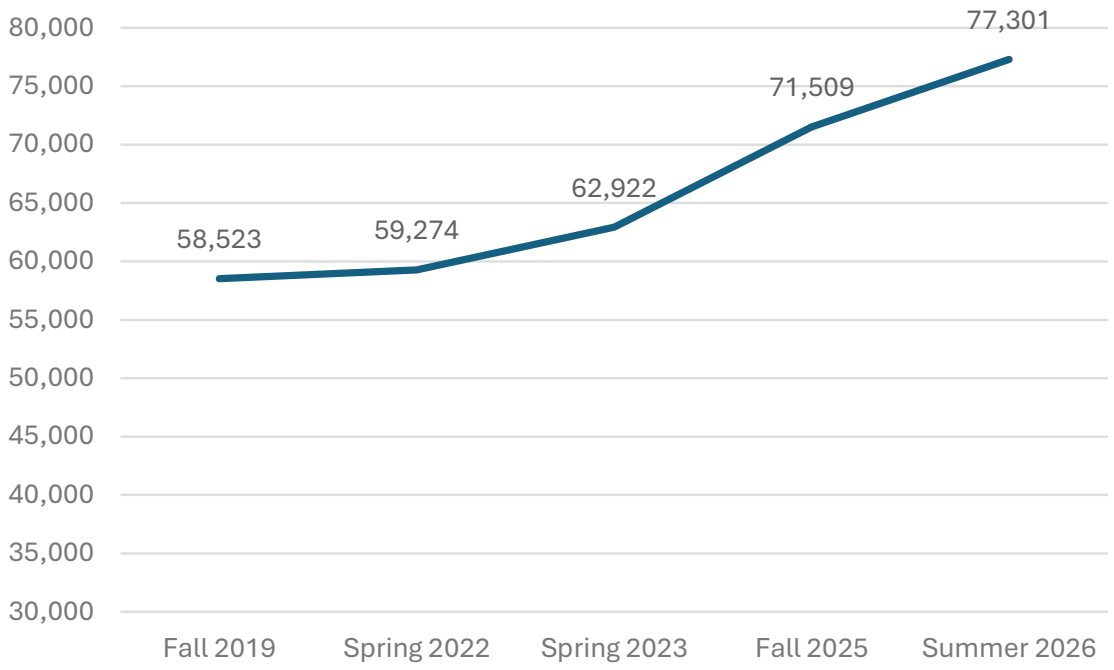
[19]New Mexico Early Childhood Education and Care Department (2022). Spring Tour Report. https://www.nmececd.org/wp-content/uploads/2022/12/Spring-Tour-2022_Mini-Report_Dec-20-2022.pdf

- **Enacted legislation (SB175) that increased investments in facilities and infrastructure:** ECECD and the Legislature have invested in the physical infrastructure needed to expand supply. The Child Care Facility Revolving Loan Fund re-launched with the New Mexico Finance Authority, providing $20 million over two years in low-interest, long-term financing to construct, renovate, and expand child care facilities, with priority for underserved communities and infant and toddler care.
- **Introduced infant and toddler contracts pilot:** Because infant and toddler care is more intensive and expensive to provide and remains in particularly short supply, ECECD launched an Infant and Toddler Contracts Pilot Program in 2025, guaranteeing funding for 500 dedicated spaces for infants and toddlers, prioritizing children with developmental delays, low-income families, and families in underserved areas while requiring programs to meet quality standards.
- **Enacted SB96 – child care zoning reform:** The Regulated Child Care Zoning Requirements Act (SB 96), signed into law in 2026, removed local zoning and homeowners' association (HOAs) barriers to child care development by establishing statewide rules and preventing HOAs from imposing additional restrictions that make child care more difficult to establish.

NUMBER AND TYPE OF CHILD CARE PROVIDERS, 2019-2026



NEW MEXICO'S LICENSED CHILD CARE CAPACITY INCREASED BY 32% BETWEEN 2019 AND 2026



EXPANDED CHILD CARE SUPPLY CHRONOLOGY

Year	Key Policy Actions	Results
2021-23	Stabilized providers by awarding $12 million in COVID relief that supported an increase of 1,200 in licensed capacity. Increased child care assistance reimbursement rates informed by child care cost model.	Invested COVID relief money in supply building. Increased reimbursement rates informed by cost.
2024	Completed statewide supply-and-demand study.	Leveraged data-driven strategy to identify gaps and target investments.
2024-25	Strengthened registered home supply strategy and reduced barriers to participation.	Expanded registered homes.
2025	Revived the Child Care Revolving Loan Fund. Launched Infant and Toddler Contract Pilot.	Increased investments in facilities and infrastructure. Introduced infant and toddler contract pilot.
2026	Enacted SB96 child care zoning reform. Increased investment in Child Care Facility Revolving Loan Fund.	Reduced barriers to establishing child care facilities. Increased investments in facilities and infrastructure.

CONCLUSION

New Mexico achieved what no other state has: UCC is now a reality for families across the state and a permanent part of state law. This achievement demonstrates what is possible when sustained investment, policy, implementation, and partnership move together. New Mexico's progress shows measurable improvements in child outcomes: children are flourishing, entering kindergarten better prepared to learn, and demonstrating meaningful developmental gains and school readiness. The next challenge is to ensure that families can find high-quality care when and where they need it, providers can remain financially stable, and early childhood professionals can build sustainable careers.

Investments in early childhood education and care yield substantial long-term benefits for individuals and society, with an estimated 13 percent annual return on investment through improved outcomes in education, health, and economic productivity.[20] When families have reliable child care, parents can work and plan for their futures, providers can sustain quality care, and children receive the strong start they deserve. UCC matters because it changes what families can count on. It recognizes child care as essential infrastructure for all children, families, communities, and the economy at large.

Lessons Learned and Best Practices

Several lessons from New Mexico's experience can inform other states pursuing universal or expanded child care access as they experiment, evaluate and adapt in this critical work:

1. **Build the foundation before scaling:** Large-scale system transformation requires clear leadership, rapid implementation, continuous learning, and the ability to adjust policies and operations as evidence emerges. Strengthen internal processes, governance, financing, and technology infrastructure before major expansions in programs and eligibility. Align policy, financing, technology, operations, workforce, supply, and community engagement rather than separate initiatives.
2. **Measure outcomes, not only outputs:** Enrollment, funding, and capacity matter, but the ultimate measure of success is whether children and families experience improved access, quality, stability, and developmental gains.
3. **Sequence and pace regulatory change:** Regulatory reforms should be ambitious but sequenced to give providers and the system time to adapt while maintaining quality and safety.
4. **Use a cost-based approach to rate-setting:** Reimbursement rates can be more than a payment mechanism; when grounded in the cost of quality care and paired with universal participation, they strengthen provider financial stability and workforce compensation, supporting a more highly qualified and credentialed workforce and reducing turnover, which contributes to higher-quality care.
5. **Cultivate political and public will through participatory engagement:** UCC requires prioritized commitment from executive leadership and an engaged and aligned early childhood ecosystem to advance policy change, secure increased and sustained investment, and maintain momentum to full implementation.

[20] García, J., Heckman, J., Leaf, D. and Prados, M.. (2016). The Life-cycle Benefits of an Influential Early Childhood Program. National Bureau of Economic Research Working Paper No. 22993.

The Work Ahead

These historic achievements for New Mexicans do not mean the state's work is done. The state must continue strengthening its child care system to expand child care supply and improve quality so that every family can access optimal and relevant care that supports children's development and learning. Fully addressing the consequences of decades of underinvestment and a broken child care market that failed to support the true cost of care will take sustained commitment and resources. Increased investment and a strong focus on continuous improvement will be essential to realizing the full potential of UCC as a powerful mechanism to improve the lives of children and families and strengthen the state's economy.

The work ahead includes continuing to grow and stabilize child care supply, particularly infant and toddler care and care in underserved communities; strengthening the early childhood workforce through competitive compensation and clear career pathways; continuing to refine reimbursement and rate-setting; improving program quality and child outcomes; and ensuring that financing keeps pace with the true cost of delivering high-quality care. Continued investment and collaboration with the Nations, Pueblos, and Tribes will be essential to ensure that capital appropriations translate into completed facilities, expanded enrollment opportunities, and increased access to culturally grounded early childhood services. New Mexico has developed a bold blueprint for its early childhood system, which is now delivering for tens of thousands of children and families every day. With sustained commitment, investment, and action on these priorities, the state can build on this foundation to create an even more robust early childhood system and a stronger New Mexico for generations to come.



GLOSSARY

Adverse Childhood Experiences (ACEs): Potentially traumatic experiences during childhood, such as abuse, neglect, or household instability, that can affect health, development, and well-being over the course of a person's life.

Am I Eligible: "Am I Eligible?" is an online eligibility screening tool that helps families determine which Early Childhood Education and Care Department (ECECD) programs they may qualify for. By answering a series of questions, families receive guidance on potential eligibility and can begin applications for services like Child Care Assistance, PreK, and other early childhood programs.

Blended Enrollment: A funding and enrollment approach in which Head Start programs use existing facilities, staff, and infrastructure to serve additional children through PreK funding, allowing programs to expand access without duplicating infrastructure.

Child Care Assistance (CCA): New Mexico's publicly funded program that helps eligible families pay for child care from participating providers.

Child Care Desert: A geographic area where the supply of licensed child care is insufficient to meet the needs of families.

Child Care Finder: a searchable online directory, launched in 2022, that helps families locate licensed and registered child care providers across New Mexico. Parents and caregivers can filter results by location, child age, quality rating, language, tuition, program type, and other criteria to find care that best meets their family's needs.

Child Care Provider: An individual or organization that provides child care to children and meets applicable state licensing, registration, or regulatory requirements.

Child Care Cost Model: A methodology that estimates the actual cost of providing quality child care, including staffing and compensation, and uses those costs to inform reimbursement rates rather than relying primarily on market prices.

Early Childhood Education and Care Department (ECECD): New Mexico's cabinet-level state agency responsible for coordinating and administering the state's early childhood system, including child care assistance, licensing, early learning, home visiting, and other programs.

ECECD Act: The 2019 New Mexico law that created ECECD as a Cabinet-level agency and established its authority to coordinate, administer, and regulate key early childhood programs and services.

Early Childhood Trust Fund (ECTF): A permanent state fund established in 2020 to provide recurring funding for early childhood education and care.

Enterprise Provider Information and Constituent Services (EPICS): A dashboard designed for child care providers and streamlines accepting or declining contracts as well as allows providers to review payments, view and print payment remittances, view active child care certifications and manage employee/secondary caregiver.

Family Child Care Home: A child care program operated in a provider's residence that serves a limited number of children and is subject to state licensing or registration requirements, depending on the type and size of the program.

Finance Plan: ECECD's statutorily required multi-year framework that uses data on service needs, costs, and available revenue to identify funding needs, guide fiscal strategies and investments, and support coordinated planning for New Mexico's early childhood system.

Florecer: ECECD's multi-year strategic plan, currently covering 2027-2031.

FOCUS on Young Children's Learning: New Mexico's Quality Rating and Improvement System (QRIS), which supports continuous quality improvement and recognizes programs that meet progressively higher quality standards.

Federal Poverty Level (FPL): A federal measure of household income used to determine eligibility for various public programs. New Mexico historically used percentages of FPL to establish Child Care Assistance eligibility before moving to universal eligibility.

Head Start: A federally funded early childhood program providing comprehensive early learning, health, family support, and other services to eligible young children and families.

Infant and Toddler Care: Child care serving children from birth through age two, which generally requires lower child-to-adult ratios and therefore has higher costs and more intensive staffing needs.

Licensed Home: A home-based child care program that has received a state child care license and meets applicable requirements for health, safety, staffing, capacity, and program operations. Licensed homes can generally serve more children than registered homes.

Land Grant Permanent Fund (LGPF): New Mexico's permanent state investment fund, established from land-grant assets, which provides distributions to support public purposes, including early childhood education and care following voter approval of a constitutional amendment in 2022.

Mixed-Delivery System: An early childhood system in which services are provided through multiple types of programs and settings, including public schools, community-based providers, Head Start, Tribal programs, family child care homes, and other providers.

NM PreK: New Mexico's state-funded prekindergarten program for young children, delivered through public schools and community-based providers.

Pay Parity: A policy designed to reduce compensation disparities by providing comparable compensation for early childhood educators with similar qualifications and responsibilities across different early childhood settings.

Presumptive Eligibility: A streamlined eligibility process that allows families to begin receiving child care assistance based on preliminary information while final eligibility is determined.

Professional Development Information System (PDIS): ECECD's free online platform that enables early childhood professionals and employers to track education, credentials, required training, and wages in one centralized system. By digitizing workforce records, PDIS streamlines workforce management, reduces administrative burden, and eliminates paper files. The workforce data collected through PDIS provides ECECD with critical insights into New Mexico's early childhood workforce.

Quality Rating and Improvement System (QRIS): A system that assesses and supports the quality of early childhood programs and provides pathways for continuous improvement.

Registered Home: A home-based child care provider that is registered with the state and operates under requirements that differ from those for licensed homes. Registered homes generally serve fewer children and have fewer regulatory requirements than licensed homes.

Reimbursement Rate: The amount a public program pays a participating child care provider for providing subsidized care. New Mexico increasingly bases reimbursement rates on the estimated cost of providing quality care.

Supply and Demand: The relationship between the number of child care spaces available and the number of spaces families need, including differences by geography, age of child, provider type, and other factors.

Universal Child Care (UCC): New Mexico's statewide policy, implemented November 1, 2025, that removed the income eligibility cap for Child Care Assistance, making families across the income spectrum eligible for assistance through participating providers.

Wage Scale and Career Lattice: A statewide framework being developed to connect early childhood job classifications, competencies, credentials, and responsibilities with predictable wage progression and career advancement.

Wage Floor: A minimum compensation level established as a condition of receiving certain enhanced public reimbursement rates.

Workforce Development: Investments and strategies that recruit, prepare, support, compensate, and retain early childhood professionals, including scholarships, credentials, coaching, apprenticeships, pay incentives, and career pathways.

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