



# Childcare Assistance and Licensing

**Among the state’s early childhood services are programs managed by the Early Childhood Education and Care Program of the Early Childhood Education and Care Department. Through subsidies and licensing standards, the assistance and certification programs work hand-in-hand in an attempt to ensure lower-income families have access to quality childcare.**

## Assistance

The Child Care Assistance Program—supported with state general fund appropriations, federal child development grants, appropriations from the early childhood education and care trust fund, and federal Temporary Assistance for Needy Families grants—subsidizes care for families by directly paying a set amount to licensed childcare centers and registered childcare homes for each qualifying child. Families sometimes are required to also pay an amount.

New Mexico uses a set of guidelines to establish the eligibility requirements, and assistance is available to parents, grandparents, or legal guardians who are working, in school, or in a job training program and need assistance with a child between the ages of 6 weeks and 13 years old. Families must reapply every 12 months.

Family income is a factor in eligibility and was set no higher than 200 percent of the federal poverty level for much of the life of the program. However, income limits were raised substantially in the early 2020s to 400 percent of the poverty level, or \$120,000 for a family of four in 2023. This income cutoff is sometimes adjusted based on available funds. The funding available is divided by the provider per-child rate to establish the number of “slots.” The income limit might then be raised or lowered to bring the number of slots in line with an estimate of how many families will be eligible.

The state will only pay the subsidy to childcare providers licensed or registered by the Early Childhood Education and Care Department. Licensed centers must meet minimal licensing standards and have a two- to five-star rating under the state’s “tiered quality rating improvement system,” or TQRIS. Registered homes, limited to four nonresident children, are more likely to be run by family members or caregivers with little formal training or education in early childhood development and do not participate in the quality-improvement system. Most children receiving state child care assistance are cared for in registered homes or licensed centers with two or four stars.

## Focus

While an LFC evaluation found the state’s subsidized childcare and the federally funded Head Start program have little impact on academic success, LFC and numerous other studies have shown high-quality early childhood programs can significantly improve a child’s future, including in school. The LFC evaluation noted “mission confusion” in the state’s childcare program over whether assistance is intended to make it easier for parents to work or to help children prepare for school. The state’s TQRIS is an attempt to create high-quality childcare programs.

Through Focus, the state’s existing TQRIS, the department assesses licensed childcare centers and awards two through five stars based on quality. Centers with national accreditation automatically receive a five-star rating. Focus includes common program standards, a common, comprehensive assessment system, and curriculum planning.

A Training and Technical Assistance Program contractor helps the department rate programs and provide training to early childcare and education staff and parents and interested community members. The contractor also works directly with a provider on program quality.

## Prekindergarten

The department also manages free early prekindergarten and prekindergarten for 3- and 4-year-olds, but those programs do not fall under the childcare program. The department only funds prekindergarten programs managed by childcare providers that hold high-quality ratings and school districts.

### For More Information:

- For information on childcare licensing and services, visit <https://www.newmexicokids.org/home/>.
- For the current federal poverty guidelines, see <https://aspe.hhs.gov/poverty-guidelines>.
- The statutes governing the Children, Youth and Families Department include Chapter 9, Article 2A NMSA 1978.