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## **ECECD Invests \$157 Million to Stabilize New Mexico Child Care Industry**

***Grants funded by American Rescue Plan to help NM child care businesses recruit and retain staff, recover from pandemic***

SANTA FE - Today, the New Mexico Early Childhood Education and Care Department (ECECD) announced that it has awarded more than \$157 million in American Rescue Plan Act (ARPA) funds to 1,004 qualifying child care businesses across the state, constituting one of the largest investments in early care and education in New Mexico state history. This funding will help stabilize child care businesses still reeling from the economic impact of the COVID-19 pandemic, improve recruitment and retention of child care professionals, grow child care capacity, and increase access to quality child care for New Mexico families.

“New Mexico needs a strong and stable child care industry, not only to support the growth and development of our children, but also to ensure that parents aren’t forced to drop out of the workforce because they can’t access child care,” said Governor Michelle Lujan Grisham. “Our state’s swift and equitable distribution of these emergency funds is another marker of our commitment to help New Mexicans return to work and build our economy back stronger than ever before.”

“This investment will be transformational for our state’s child care sector, which was hit especially hard by the pandemic,” said ECECD Cabinet Secretary Elizabeth Groginsky. “These grants are critical to ensuring that child care providers who have educated, cared for, and nurtured New Mexico’s children through the darkest days of the pandemic can continue serving New Mexico families for decades to come.”

Earlier this year, the U.S. Department of Health and Human Services Office of Child Care used

earmarked funds from the ARPA to issue Child Care Stabilization Grants to states, territories, and tribal agencies administering the Child Care Development Fund (CCDF). As the lead CCDF agency for New Mexico, the Early Childhood Education and Care Department (ECECD) received \$197,076,859.00 through the ARPA Child Care Stabilization program which includes a 10 percent set-aside for administration, supply building, and technical assistance, leaving a total of \$177,369,173 for direct grants to New Mexico child care providers. Lead agencies are strongly encouraged to provide timely relief with a requirement to obligate 50 percent by December 2021 and the other 50 percent by Sept. 30, 2022. New Mexico is among the first states to obligate and distribute these funds, paying the first of six monthly installments on Oct. 15, 2021.

In recognition of the extraordinary economic strains caused by the pandemic, these grants are designed to help the child care industry in New Mexico address the fallout from decreased enrollment, workforce shortages, and higher costs. Without these emergency funds, there could be devastating consequences for the state's economy – which depends heavily on working parents – and for young children's growth, development, and social-emotional health.

ECECD moved quickly to create a formula to equitably distribute these relief dollars, considering provider type, licensed capacity, continued operation during the pandemic, quality level, availability of infant and toddler care, and the location of businesses using the Centers for Disease Control and Prevention Social Vulnerability Index. The Department created an online portal to provide a simple and streamlined application process, which was open from Sept. 1 to Oct. 1, 2021.

Child care businesses can use the funds for personnel costs, rent, utilities, facilities maintenance, insurance, personal protective equipment, cleaning, and other health and safety practices, purchases of or updates to equipment and supplies to respond to COVID-19, goods and services necessary to maintain or resume child care services, mental health supports for children and employees, and paying for past expenses that resulted from the pandemic. Child care providers indicated in their application how they plan to use the funds.

"We are the only center in the area that is both year-round and offers care for children ages six weeks to 3," said Misty Pugmire, director of El Grito Early Learning Center in Silver City. "When we closed down in June it left 31 families without care for their young children. We will use the funding from the child care stabilization grants to help with hiring, retaining, and training staff since we are in the process of reopening early next year."

Included among the providers receiving grants are 526 licensed centers, 102 large family child care homes, 71 family child care homes, and 305 registered homes that were open or temporarily closed as of March 11, 2021 and in good standing with Child Care Licensing. ECECD received applications from providers in all 30 counties across the state where there are child care programs.

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*The New Mexico Early Childhood Education and Care Department (ECECD) launched in 2020, one of only four cabinet level agencies nationwide that consolidated all early childhood agencies under one roof. ECECD's mission is to optimize the health, development, education, and well being of babies, toddlers, and preschoolers through a family-driven, equitable, community-based system of programs and services. Learn more about how ECECD*

*supports children, families, and the early childhood professionals that serve our communities at [nmececd.org](http://nmececd.org). On Facebook and Twitter as [@NewMexicoECECD](https://twitter.com/NewMexicoECECD).*