

New Mexico Commits to Universal Child Care

In November of 2025, New Mexico became the first state to offer free child care to residents, regardless of income. And there's a special provision for grandparents who are raising their grandchildren.

How does New Mexico's universal child care program support grandparent caregivers?

Child care subsidies typically support parents while they work or go to school. But when government officials in New Mexico asked families what they needed, they discovered there were grandparents raising grandchildren who needed child care but met neither of those qualifications. In New Mexico, 8% of children are being raised by kin caregivers, more than double the national average, and one in three kin caregivers live at or below the poverty level.

The state responded, offering free child care for grandparents with legal custody or kinship guardianship and [exempting](#) them from eligibility requirements to work or go to school. The exemption is also available to families who are involved with child welfare, have a baby who was born substance-exposed, or are experiencing housing instability. While this program is launching with only certain caregivers exempted from work and school requirements, we are hopeful that it will later expand to other kin caregivers and children.

Although 21 states provide some kind of work and education exemption for kin caregivers, the laws are often confusing and present a barrier to accessing care. The simplicity of the New Mexico plan is a strong point. New Mexico is embracing what the kinship field has long known – caregivers need respite so they can attend to their own needs and be at their best when they are with the children they are raising. And, children who face the trauma of parental absence can benefit from the routines and group play found in a good child care setting.

How is the program funded?

New Mexico's implementation of universal child care has been achieved through a phased expansion that has been ongoing since the Early Childhood Education and Care Department (ECECD) was created in 2020. The state established a fund specifically for early childhood education, paid for by taxes from the oil and gas industries. In 2022, the state passed a constitutional amendment ensuring additional funding from the state's Land Grant Permanent Fund.

What's ahead in New Mexico?

The state is tracking program progress. In the first month the universal child care program was active, [68 new contracts](#) were issued for grandchildren being raised by their grandparents.

The next step is building infrastructure, so that there are enough child care spaces for all who need them. Before New Mexico embraced universal child care, 80% of children were eligible for free

care, but only 35% of those children received it. To provide space for all eligible children, New Mexico projects a need for 55 new centers, 1,120 additional home-based options, and at least 5,000 more educators. Plans are underway to address those shortfalls:

- ▶ \$12.7 million in low-interest loans for providers who want to build or expand centers
- ▶ An easier registration process for home-based providers
- ▶ Higher reimbursement rates for programs offering 10 hours of care per day, five days a week, and paying entry-level staff a minimum of \$18 per hour

What are we seeing in the rest of the country?

Universal child care is under consideration in other states as well. New York State has made significant investments in child care, including [raising the income eligibility threshold](#) for low-cost (\$15/week) child care to \$108,000 for a family of four. In many places, governors and legislatures are considering ways to increase funding for child care subsidies, including by supporting new child care centers, better workforce compensation, and accessible training. See Child Care Aware's 2025 state-by-state status [report](#).

Additional Information

- ▶ Visit the New Mexico Early Childhood Education and Care Department's [Universal Child Care Resources page](#), including a [fact sheet for Nations, Pueblos, and Tribes](#)
- ▶ See the Network's [Finding and Paying for Child Care tip sheet](#)
- ▶ Read Chabeli Carrazana's December 10, 2025 article in *The 19th*, "[In New Mexico, grandparents caring for grandkids can also get free child care now](#)"

The Grandfamilies & Kinship Support Network: A National Technical Assistance Center (Network) helps government agencies and nonprofits in states, Tribes, and territories work across jurisdictional and systemic boundaries to improve supports and services for families in which grandparents, other relatives, or close family friends are raising children whose parents are unable to do so. For more information, please visit www.GKSNetwork.org.

The Network is supported by the Administration for Community Living (ACL), U.S. Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$9,950,000 with 95 percentage funded by ACL/HHS and \$523,684 and 5 percentage funded by non-government sources. The contents are those of the authors and do not necessarily represent the official views of, nor an endorsement, by ACL/HHS, or the U.S. Government.

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