

Written Comments submitted prior to the June 4, 2021 public hearing

NM Center on Law and Poverty Submission:

Please accept the following comments on the New Mexico Early Childhood Education and Care Department's (the Department) Child Care and Development Fund (CCDF) plan.

The undersigned organizations, the New Mexico Center on Law and Poverty and Organizing in the Land of Enchantment (OLÉ), have extensive experience working with families in New Mexico to ensure they have access to opportunities that improve the lives of children, particularly low-income families that face the largest barriers. We also have first-hand experience assisting families in accessing child care assistance in New Mexico. We have seen the benefits to families who are able to access affordable child care and are aware of administrative barriers that prevent eligible families from receiving assistance.

Making Child Care Assistance More Affordable

We applaud the Department for increasing the eligibility allowance up to 200% of the FPL and for allowing families to remain on child care assistance with income up to 250% of the FPL.

Prohibit Providers from Passing along Gross Receipts Tax (GRT) to Families

8.15.2.15(E)(3) NMAC states "Child care providers are allowed to charge child care assistance families the applicable gross receipts tax (GRT) for the sum of the child care assistance benefit and co-payment." These costs are excessive and difficult for families that are low income. The federal government found that child care is not affordable when it exceeds 7% of a families' household income. The U.S. Department Health and Human Services recommends that states require family co-payments to be no more than 7% of family income in order to be affordable. See Federal Register, Vol. 81, No. 190, at p. 67467, issued September 30, 2016. GRT can add upwards of 10% a month to a family's child care costs, diverting funds needed for diapers, food, housing and other basic needs. We urge the Department to prohibit providers from passing along GRT to families.

Strategies for Creating Family-Friendly Policies

The CCDF reauthorization includes important policy changes designed to reduce burdens for families trying to get and keep child care assistance. Eliminating barriers and unnecessary program complexities encourages families to apply and prevents them from unduly losing their assistance. We submit the following recommendations for achieving greater accessibility in the ECECD child care assistance program.

Language Access (2.1.1)

The Department must translate the application, brochures, and notices into languages other than Spanish. As a recipient of federal funding, the Department must provide meaningful access to services for individuals with limited English proficiency.¹ This means that ECECD must translate documents into languages spoken by " five percent or 1,000, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered..."² The most recent census data, shows that the Department must translate documents into the following languages: Spanish, Arabic, Persian, Hindi, German, French, Italian, Russian, Hindi, Vietnamese, Chinese, Tagalog, Japanese, Korean, Navajo, Keres, Zuni, Tewa, Tiwa, Towa, and Apache.³ We strongly encourage the Department to have these important documents translated into multiple languages and make them readily available to applicants. Doing so is legally required and will remove unnecessary barriers for LEP participants and will promote informed participation in the program in accordance with federal and state law.

Temporary Assistance for Needy Families (1.4.1.a.xii)

We applaud the Department's collaboration with Human Services Division (HSD) on the data integration project to fully integrate the health and human service agencies' child and family data by the proposed completion date of 2024. According to Data published by HHS, only 6.4 percent of families who receive TANF also receive child care assistance, yet 70 percent of children who receive TANF are under 11 years old.⁴ At the same time, TANF is terminated at the highest rate (31% of the time) because families cannot meet "work requirements."⁵ Automatic enrollment for families who receive TANF into child care assistance would help eliminate this problem. We encourage the Department to automatically enroll families in need of child care assistance that also receive other benefits and continuously measure and report on co-enrollment to identify barriers for eligible families accessing SNAP, TANF, Medicaid, GA, and LI-HEAP.

Eliminate the Work or School Requirement for Grandparents

Section 8.15.2.11(C) NMAC – ECECD should add provisions that ensure grandparents are exempt from the work or education requirement and can receive child care assistance without having to apply for TANF. Grandparents who are retired should not be subject to the work or educational requirements for child care. Current New Mexico law for the TANF cash assistance recognizes this and does not impose a work requirement on participants who are 60 or older. 6 In its final CCDF Plan, we ask the Department to allow for waiving the work or educational requirement for grandparents raising grandchildren, and in a future rulemaking, the Department should amend its rules to reflect this change. Additionally, when grandparents do work, their income should not be counted towards the eligibility limit. Again, the TANF cash assistance program also provides that grandparents can participate in that program regardless of income level.⁷ Current child care assistance regulations provide that TANF families are eligible for child care regardless of income level.⁸ However, we should not ask grandparents to apply for and participate in TANF to qualify for child care assistance. Instead, the Department should mirror the child care regulations to reflect the TANF program, and qualify children being raised by grandparents without regard to income.

Allow Community Based Providers to Determine Families Presumptively Eligible

We encourage the Department to implement presumptive eligibility for childcare assistance to streamline the application process and allow community-based providers to facilitate enrollment. The state already uses community based presumptive eligibility in Medicaid and other healthcare programs to streamline the enrollment process. The Department can provide immediate child care assistance to families who trained screeners determine to be eligible for the program rather than delaying child care assistance benefits until a full eligibility decision is made.

Work Activities (3.1.3)

The Department’s plan defines “working” to include, amongst other things, any activity that meets the TANF work requirement.⁹ NMAC 8.15.2.10 provides that an applicant can demonstrate employment with current proof of earned income or participation TANF or the supplemental nutrition assistance program. The State Plan must be revised to be consistent with the State regulations on child care assistance. While there are not any SNAP related work requirements at this time, they do exist in federal law and could be implemented in New Mexico in the future.

Fluctuating Work Schedules

We applaud the Department’s favoring eligibility when income fluctuates, averaging the family’s income over twelve months, and deducting temporary and irregular wages (3.1.3.a. and 3.1.7.). We also applaud the Department for adding 3 months of job search as an eligible activity to qualify for child care assistance. Many parents receiving child care assistance work in jobs with irregular hours or unpredictable schedules.¹⁰ However, despite a great need, there is often an inadequate supply of licensed care available during non-traditional hours. To address this barrier for families working non-traditional hours, we encourage the State to do the following:

- Provide direct contracts or grants to providers willing to offer care during nontraditional hours. Providing direct contracts to caregivers who provide care during nontraditional hours offers a predictable income stream to providers that may be otherwise reluctant to provide such care. A direct contract (versus a third party contract with the parent who may be subject to job loss or may experience long periods between work without the need for childcare) provides consistency and reliability for the provider thereby creating greater incentive to provide care during non-traditional hours.
- Provide data on efficacy of pay differential for non-traditional hour care providers. In the plan, the Department states that it pays a differential rate to providers who provide care during non-traditional hours as follows: 5% for 1-10 hours per week; 10% for 11-20 hours per week; and 15% for 21 or more hours per week.¹¹ The state should demonstrate through reported data that its 5/10/15 percent increase is a large enough differential to serve as incentive for caregivers to provide care during non-traditional hours.
- Use contracts to extend the Headstart or pre-k services. By using CCDF funds to fund contractual agreements to extend the day or year of Head Start, Early Headstart or pre-k services, parents can rely on having sufficient childcare without having to create a piecemeal care plan amongst several different providers. We encourage ECECD to enter into contracts with these providers to provide continuity of care for program participants.
- Provide support for family/friend/neighbor (FFN) caregivers. We applaud the Department for updating the provision of temporary child care services after a disaster to reflect the implementation of the Family, Friend and Neighbor child care home provider to increase access to child care. FFN caregivers often serve as critical support systems to working families. In order to meet the broad goals of the CCDF, ECECD should foster FFN

caregiving by providing training on early childhood development and appropriate care as well as, materials, books and supplies that support healthy development to FFN providers.

Create Strong Partnerships and Coordination Strategies

Under the CCDF, ECECD is required to efficiently coordinate its services and programs in order to expand accessibility and continuity of care. We encourage ECECD to re-assess its plan to make sure that it is meeting this objective and provide the following suggestions for implementation:

Meaningful Public Comment (1.3.2)

Twenty-day public comment period is not sufficient to collect input from the large number of communities and stakeholders who are impacted by the Department's administration of the Child Care Assistance program. A 60-day comment period would provide opportunity for more public participation in the process and posting notices in ECECD offices would reach families and providers in our state that do not have regular internet access.

Public-Private Partnerships (1.6)

The Department must demonstrate in the plan how it will meet the CCDF's goal of leveraging existing resources for child care and development services through partnerships.¹² We applaud the Department for partnering with public and private entities to build public awareness and political will for investments in early childhood education and care. We urge the Department to support community-based organizations to actively promote early childcare and education and to identify barriers families are experiencing in accessing the high-quality care and the assistance to which they are entitled. The Department should provide the community with an opportunity to review what developments arise from these partnerships.

Child Care Resource and Referral System (1.7)

The State should broaden the New Mexico Kids Child Care Resource & Referral system for resource and referral services beyond child care assistance to include referrals to other early learning programs. For example, more than half of children served in CCDBG-funded childcare live in households with incomes below the federal poverty level. This makes a large share of the children eligible for Head Start/Early Head Start as well as child care assistance.¹³ CYFD should provide eligible families applying for or receiving child care assistance with a referral to a Head Start or Early Head Start program. Connecting families with other early learning programs increases educational opportunities for children and economic success of families. This is because it allows parents to combine programs that operate on part-day schedule- as is the case with many Head Start programs with CCDBG funds to cover the remaining hours of the day while parents work.

Coordinate with Home Visiting and Ensure that Families Know about Child Care Assistance Upon the Birth of New Child

We encourage the Department to work with the Home Visiting program to ensure that families learn about child care assistance upon the birth of a new child in the home. HSD has been operating a statewide pilot program for Medicaid funding home visiting and this presents a strong opportunity to coordinate services.

Increasing access for Vulnerable Children and Families (3.2)

We applaud the Department for ending Child Support Enforcement compliance as a requirement for participation in child care assistance. This will dramatically increase the well-being and financial stability of families in New Mexico.

Create a unified application process for all state administered assistance programs

We applaud the Department's plan to provide information about other public benefits when families apply for child care assistance (2.4.2). The Department should work with Human Services Department for a unified application process for all public benefit programs. Breaking down barriers so that applying for benefits is easier and faster for applicants is more effective and less costly for states. Some states have created an integrated benefit application so that families can apply for not only SNAP and Medicaid but also child care assistance and housing support.¹⁴

Serving Families Who Receive TANF

New Mexico law provides that TANF participants shall be considered priority 1 level in receiving child care assistance.¹⁵ Yet HHS reports that only 6.4% of TANF participants in New Mexico receive child care assistance.¹⁶ ECECD can take action to ensure that families who receive TANF have full access to child care assistance, as required by law:

- Stop Diverting TANF cash assistance funding to Child Care Assistance that does not go to TANF families. New Mexico spends about 21% of federal and state TANF funds on basic assistance diverting funds away from income support toward other state budget areas. ¹⁷ Further, New Mexico spends about 14% of federal and

state TANF funds on child care.¹⁸ This analysis is for New Mexico's use of federal or state TANF funds for child care, including federal TANF funds transferred to CCDBG, but not other federal funds, such as those directly appropriated to CCDBG. Supporting child care should not come at the expense of providing direct cash assistance to families.

- Automatically make children who receive TANF eligible for child care assistance. As stated above, we applaud the data integration project HSD and ECECD collaborate on. SL Start/Creative Work Solutions, HSD's corporate contractor charged with administering the State's TANF program has a pattern and practice of not referring all families who receive TANF to the Department to seek child care assistance. Instead, the contractor determines that only certain families can receive child care assistance and refers them on that basis. This limited referral deters eligible families from seeking assistance at ECECD and conflicts with NMAC 8.102.620.15, which states that the Department must authorize all child care to TANF participants after an initial 30 day period.
- Ensure families can continue receiving child care despite HSD's unfair use of short TANF Work Participation Agreements. ECECD should work with HSD to increase the duration of TANF Work Participation Agreements or seek an alternative basis for certifying ECECD child care hours. Child care placement agreements (the child care contract) have historically been issued for the same length of time as the TANF Work Placement Agreement (WPA). Unfortunately, HSD's TANF program issues WPAs for very short periods of time, for as little as one month at a time. This has the unintended consequence of limiting child care contracts to a very short period. Each time a TANF participant receives a new WPA, they have to go to ECECD and request a new child care placement agreement. These overlapping bureaucratic requirements impose serious burdens on families that hinder their ability to achieve financial independence. The time and travel it takes to comply with this process restricts families' ability to meet TANF program requirements and to find work. ECECD could create a 12 month child care contract and impose a reporting requirement on the family to notify ECECD if TANF work hours change. An even better option would be to create an interface between ECECD and NM Works to streamline enrollment and renewal of benefits.

Safeguard Accessibility for Clients with Disabilities

The state plan does recognize children with disabilities throughout, references the Family Education Rights and Privacy Act and IDEA, and encourages staff to be familiar with the Americans with Disabilities Act as it relates to enrolling and caring for children with special needs. Failure to provide program modifications, support services, adequate screening and assessment, and the failure to operate programs so that they are accessible to and usable by people with disabilities may violate Section 504 of the Rehabilitation Act and Title II of the Americans with Disabilities Act (ADA). Non-discriminatory methods of administration can be achieved through training staff to screen for and accommodate people with disabilities, having a clear written policy incorporating accommodations and modifications, and conducting regular oversight of programs and policies. Further, ECECD must take steps to ensure that child care providers do not discriminate against children with disabilities. The state plan should include the Department's intention to provide child care assistance benefits to participants with disabilities in a non-discriminatory manner.⁸

Wages and Benefits for Child Care Workers (6.1.3)

The state plan should include an increase in wage supplement amounts for teachers pursuing college certificates and degrees. Currently, the incentive supplement is not adequate for a full time childcare worker to work full time and attend school in their off hours. A robust supplement in wages for childcare workers pursuing higher education benefits the worker but also the children who will have the benefit of a more education workforce.

Diversity and Inclusion (6.2.2,3)

We applaud the Department for committing to a provision of bonuses to teachers who speak additional languages. The state plan should include concrete details for how it plans to support, retain, and recruit early educators who speak languages other than English. The plan should provide details for how the Department will provide access to professional development opportunities for monolingual Spanish speakers. This will provide a clear path to these workers about how to advance their career development within the Department.

Data Reporting

In order to track ECECD's progress in meeting the goals of the CCDF, the Department should track and report data on the following:

- Churn. Churn is the term used to describe the process of households losing eligibility for failure to do a required application or renewal procedure, experiencing a short period without benefits only to reapply and

regain eligibility. 19 Churn costs the state money in administrative costs to re-process eligibility multiple times for eligible households and families go without critical assistance. The Department should measure and report on churn to identify unnecessary administrative procedures. One of the most accurate measures of churn is to report on the share of participants required to renew eligibility in a given month who lose benefits for not complying with the process and end up returning to the program within a short period of time (90 days).

- Co-enrollment of families in child care assistance and other public benefit programs. Tracking co-enrollment will aid the state in identifying barriers for families in receiving assistance that will support child well-being. In order to meet the State's own goal of providing TANF families with high priority, the Department should consistently report on the number of TANF families enrolled in the child care assistance program.
- Timeliness of Processing. To ensure that benefits applications and renewals are timely processed, the Department should track the time between initial application/submission of renewal documents and the time benefits are granted are renewed. Tracking this data will help the Department identify delays in application processing and areas to improve worker training.

Conclusion

We encourage ECECD to use the CCDF plan as an opportunity to streamline administration of child care assistance in New Mexico and improve access to the program for eligible families. Ongoing collaboration with the Department on these improvements is important to the New Mexico Center on Law and Poverty. To maximize the opportunities outlined in this letter, we would like to meet with the Department to discuss these comments. Please contact or your earliest convenience. Thank you for the opportunity to comment on the Department's proposed plan.

Early Care & Education Consortium Submission:

RE: New Mexico Draft CCDF Plan for 2022-2024

On behalf of the Early Care and Education Consortium (ECEC), a national organization of multi-state, multi-site child care providers, including 18 high-quality child care centers in New Mexico, with the capacity to serve more than 1,800 New Mexico children, we write to provide comments on the draft Child Care and Development Fund (CCDF) Plan for 2022-2024.

On March 11, President Biden signed the American Rescue Plan Act (ARPA) of 2021, which provides over \$40 billion in federal funding for the child care industry. For New Mexico, this amounts to approximately \$320 million in dedicated child care funding. Although there is concern that a significant portion of the funding provided by ARPA is short-term, the legislation does increase the Child Care Entitlement to States (CCES) by more than \$500 million. Because CCES is a mandatory allocation, this will be a reoccurring funding stream that can further enable states to make permanent improvements to the child care system. In addition, the Consolidated Appropriations Act of 2021 appropriated \$5.911 billion for CCDBG – an \$85 million increase over FY2020 levels. This marked the 4th consecutive year Congress sustained or increased CCDBG funding since doubling it for FY2018. Therefore, we encourage the New Mexico Early Childhood Education and Care Department (ECECD) to consider both the short and long-term funding opportunities that, in concert, will support our recommendations.

CCDF 2022-2024 Draft Plan and Implementation Comments

3.1 ECEC encourages ECECD to reduce barriers for family participation in early childhood education and care services, in particular those barriers faced by low-income families. ECEC also encourages ECECD to promote flexibilities as needed to facilitate access.

4.1.3 Expanding access for low-income families requires improving support for providers. **For years, low reimbursement rates and unreliable funding streams have made it difficult for providers to serve families requiring subsidy assistance, ultimately limiting child care options for families in need.** Before the pandemic,

fewer than 1 in 6 families eligible for child care financial assistance utilized it, in part due to a lack of participating high-quality providers.¹ Even providers that participate are often forced to raise fees disproportionately for non-subsidized families to make up for the funding gaps for children who are eligible for subsidy. Therefore, ECEC strongly urges ECECD to align with the federally recommended rate of 75th percentile. Increasing rates will boost wages and lead directly to an increase in the number of available slots.

4.4.1 ECEC urges ECECD to elevate the importance of meeting the CCDBG Act requirement to establish policies that reflect generally accepted payment practices for child care providers, including (to the extent practicable) delinking provider payments from occasional absence days and paying on a full- or part-time basis versus hourly. This pay structure results in gaps in revenue that ultimately dissuade providers from participating in the subsidy system.

5.5.1 For many child care providers, the biggest barrier to reopening or using available space is the challenge of finding qualified staff. In many cases, existing classrooms remain closed due to a lack of qualified staff, limiting child care options for families. For this reason, ECEC urges ECECD to reduce the administrative burden to become employed in a child care setting by streamlining fingerprinting and background checks to reduce the wait time for qualified staff to begin employment.

6.3.1 ECEC urges ECECD to incentivize professional development by paying for and rewarding credentials such as CDA credentials and post-secondary degrees. ECEC also urges ECECD to reward longevity in the field through financial incentives at key benchmarks. These initiatives will help recruit and retain a high-quality workforce.

7.3.1 National accreditation and QRIS program standards encourage providers to go beyond licensing regulations to improve the health and safety for Utah’s most vulnerable children. However, rates are still too low to cover the cost of quality care, placing a heavy burden on those providers. We encourage ECECD to increase the rates for quality care to help with the high-cost burden.

7.8.1 ECEC encourages ECECD to reward accreditation and consider covering the cost of accreditation fees with the additional CCDBG funding. COVID-19 put an extraordinarily high burden on providers, so support for maintaining quality such as paying for accreditation fees can go a long way.

Thank you for the opportunity to provide comments, and for your dedication to the children and families in New Mexico. We look forward to working with you to provide for the needs of our nation’s child care providers, working families, and our youngest citizens.

OLE Education Fund Submission:

We are writing to express our support for the ECECD’s draft three-year CCDF plan and our belief that the plan would benefit from greater detail and a more explicit rationale for certain elements of the plan. While we strongly support greater compensation and professional development opportunities for early educators, we believe that these goals should be clearly framed as essential elements of ensuring New Mexico’s children receive the highest-quality care and education and enter Kindergarten happy, healthy, and equipped for success in school. In mapping out the Department’s three-year plan to build a high-quality child care system, every New Mexican should understand the costs associated with this revamped system, which includes professional wages for child care teachers.

The Department repeatedly refers to the need for a “well-compensated” workforce. For PreK instructors, the Department has clearly stated the need to ensure private PreK teachers have pay equity with public PreK teachers; this is a good benchmark that remains relevant even as public schools increase pay over time. We believe that non-PreK child care teachers need the same benchmark since it is not open to interpretation in the way that “well-compensated” is. This will also begin to relieve tensions that have grown in child care workplaces

where pay has widened between PreK and 0-3 childcare staff. In the department's three year strategic plan, it states that it will develop a compensation pay scale that is aligned to a teacher's level of education, credentials, training, experience, and language spoken. We believe this is an excellent component of the draft plan, but we recommend that the final CCDF three-year plan define how the Department's wage and career lattice will relate to pay equity between both public and private PreK teachers.

In section 6.2.2.3, we recommend that the Department provide more detail and a more concrete plan on how it plans to support, retain and recruit early educators who speak other languages than English. Since the Department has already made a commitment to provide bonuses to teachers who are proficient in other languages, we believe that should be mentioned in the three-year plan as evidence of the Department's commitment to supporting children who speak a language other than English.

Furthermore, in areas of the plan that detail the Department's goals of expanding higher-education professional development opportunities and making them affordable and accessible, we recommend that the plan make special note of the need to insure that monolingual Spanish speakers have equitable access to the same volume of ECE degree-required courses that English speakers do, so they can move up the Department's career lattice as easily and quickly. We also recommend adding elements of the Department's three-year strategic plan to the three-year CCDF plan to provide additional detail and consistency between the two documents. In the former, for example, the Department outlines ways in which Spanish Speaking teachers can be supported, such as Spanish Language cohorts as well as local communities "growing their own" early childhood workforce to meet the needs of the wide variety of needs.

In section 6.1.3, the Department's plan details its continuing support for scholarships and wage supplements that are intended to provide an incentive to teachers pursuing college certificates and degrees. A criticism that we have routinely heard from early educators is that the wage supplement program does not, in fact, provide an adequate incentive commensurate with the significant effort a teacher expends to work full-time at a poverty wage while also taking college courses. Understandably, this has been a result of the limited resources provided to the Department by the Legislature. Now that the Department is receiving significantly greater resources from dedicated federal and state funding streams, however, we recommend that the Department include in the three-year plan an increase in wage supplement amounts that reflects the recommendations of teachers who find the current supplements inadequate. In this way, the Department can better define an important cost of high-quality child care and education rather than reiterate a plan that has previously been insufficiently funded.

While the draft CCDF certainly does not require the level of detail that we suggest, we believe that adding our recommendations will further strengthen the confidence of New Mexico's early learning workforce as they collaborate with the Department to design and implement reforms that will result in a consistently high-quality early childhood education and care system for New Mexico's children.

KinderCare Education, LLC Submission:

KinderCare Education proudly serves more than 400 children at our four high quality early learning centers across New Mexico. Our world class educators stepped up during the COVID-19 pandemic to provide high quality care to essential workers and we are hopeful for the continuing rise in enrollment as more parents are able to return to work. We are committed to serving all children regardless of background and financial circumstance, and we are proud of the diverse group of children we serve. Approximately 84% of our children in New Mexico are from hardworking families who receive assistance under the Child Care and Development Block Grant (CCDBG). We appreciate the opportunity to provide written comments on the state's draft CCDF Plan for 2022-2024.

CCDF 2022-2024 Draft Plan and Implementation Comments:

1.3.1 KinderCare Education recognizes the strong efforts the Early Childhood Education and Care Department (ECECD) has made to engage childcare providers in the development of the 2022-2024 CCDF Plan and we are thankful for the opportunities to provide input. We recommend ECECD include a written goal of assisting other Lead Agencies in promoting opportunities to involve high-quality childcare providers in the development and implementation of their own state's CCDF Plan.

1.3.3 We commend ECECD for sharing the draft CCDF Plan with the public through the Department's Facebook page. We counted no fewer than seven posts about the CCDF Plan, far more than we were able to locate for other states. We recommend ECECD consider assisting other Lead Agencies over the Plan implementation period in supporting the use of social media for widely distributing this critical information.

4.3.1 KinderCare Education recommends ECECD provide more transparency into the base payment rate percentiles by referring to them in context of the most recent market rate survey, as required. The most recent market rate survey was conducted in 2018; the base reimbursement rates have not increased since 2016. This highlights the state's lack of commitment to provide adequate payment to childcare providers for more than five years.

4.3.3 KinderCare Education urges ECECD to include a statement expressing interest in exploring funding for differential rates paid to childcare programs serving infants and toddlers and children with special needs. This would support the increased costs of lower child to adult ratios, staff qualifications, and specialized equipment. Implementing this additional funding will target resources in such a way that helps ensure higher quality and greater access to services for families.

4.3.4 We recommend ECECD include a description to work with the Legislature and Governor over the next three years to increase base reimbursement rates to more accurately reflect the cost of care. Low subsidy reimbursement rates do not pay for quality nor provide incentives or support for increasing quality. We would support legislation introduced to address equal access through increased base reimbursement rates.

4.4.1 KinderCare Education strongly recommends ECECD review the statement verifying monthly pay runs are performed and clarify which entity verifies timely and accurate payments. We suggest ECECD add an intent to review this payment practice over the Plan period. Our experience has shown when overpayments are received, they cannot be resolved at the local level; this creates a heavy workload at the state level. On occasion, we have received notice up to nine months after payment. This practice is contrary to ECECD's assurance of providing timely payments and burdens childcare providers with duplicative recordkeeping. Additionally, we recommend ECECD clarify that (e) the notice of actions which affect services, benefits, or provider payments or status, is provided in writing - through the U.S. Postal Service and requires original signatures. We urge ECECD include in the description their support for state investments in technology over the Plan period to allow for online communication and processing.

5.5.4 KinderCare Education strongly recommends ECECD work with the state to become a "Compact State" and participate in the National Fingerprint File (NFF) program. One of the biggest advantages of becoming an NFF state is that an FBI fingerprint check satisfies the requirement to perform an interstate check of another state's criminal history record repository if the responding state participates in the NFF program.

7.3.5 KinderCare Education commends ECECD and the state legislature for the attention placed on program quality and provider support through the TQRIS standards and the higher reimbursement rate payments established to help meet them. The FOCUS program standards encourage providers to build upon licensing regulations to improve the health and safety of our most vulnerable children. Meeting increased program standards can be a heavy weight on providers; we urge ECECD to include a statement expressing interest over the Plan period to address ongoing or periodic quality stipends and tax credits for higher quality childcare. Given the state is poised to receive significant federal funding, we support ECECD in reviewing additional ways to support childcare providers in offsetting the cost of providing high-quality childcare in New Mexico.

KinderCare Education commends the state for the current mixed delivery model of early education and care. This system respects and provides for the individual choices and needs of children and families and offers the best environment for creating strong family-provider partnerships and engagement. It also leverages the need for continuous improvement necessary to remain competitive for the benefit of all children. KinderCare Education is proud to provide high-quality care in New Mexico and appreciates the opportunity to submit comments on the draft CCDF plan. We are encouraged by the state's commitment to ensuring all children have access to affordable, high-quality childcare. If we can be of further assistance in the development or implementation of this plan, please do not hesitate to contact us.

Department Responses to Comments Received

Department response to comment related to prohibiting providers from passing along Gross Receipts Tax (GRT) to families: ECECD appreciates this comment. ECECD is committed to engaging stakeholders to review this issue further. This recommendation will require further input from an array of stakeholders and may require a policy change, and possible legislative action. Gross receipts tax was not part of the required sections of the CCDF State Plan.

Department response to comment and recommendations regarding language access for individuals with limited English proficiency: ECECD currently translates documents to Spanish and provides interpretation services regularly. Recent census data gives ECECD reason to believe the translation of documents needs to be provided in additional languages. ECECD is committed to pursuing this further. ECECD recognizes that providing translation and interpretation services in languages in addition to Spanish will require additional time and resources.

The CCDF State Plan addresses language access in the following sections:

- 2.1.1 indicates strategies utilized to provide outreach and services to eligible families for whom English is not their first language;
- 2.3.1. provides a description on how ECECD ensures the website is consumer-friendly and easily accessible; and,
- 2.3.2. describes how the website ensures the widest possible access to services for families that speak languages other than English.

Department response related to comments regarding families who receive Temporary Assistance for Needy Families (TANF) and increasing access for vulnerable children and families: ECECD supports this recommendation. ECECD is currently working with partners at the Human Services Department to develop coordinated eligibility determination among public benefit programs including TANF. ECECD has streamlined the child care assistance application process and has made attempts to coordinate access to a number of public benefits for families. ECECD is committed to continuing the work to enhance coordination. The coordination with TANF, and other relevant partners, is addressed in section 1.4.1.a. of the CCDF State Plan.

Department response related to comments recommending the elimination of the work or school requirement for grandparents: ECECD understands this request and has committed resources to expand eligibility. ECECD recognizes the important role of grandparents and has made eligibility to child care assistance for children raised and cared for by grandparents available under a variety of circumstances. ECECD will monitor the budgetary impacts before considering additional enhancements to the child care assistance program. ECECD is addressing the income calculations in the proposed child care reimbursement rate changes; refer to 8.15.2.11(C)(8) NMAC. This was not part of the required sections of the CCDF State Plan.

Department response regarding the recommendation to allow community-based providers to determine families presumptively eligible: ECECD appreciates this comment. ECECD is committed to engaging stakeholders to review this recommendation further. This recommendation will require additional input from a

number of stakeholders and policy and internal process changes. This was not part of the required sections of the CCDF State Plan.

Department response regarding work activities: Current regulations do not contain the phrase “or the supplemental nutrition assistance program” so no revision would be required. Regulations indicate (NMAC 8.15.2.10 A. (3)) *documentation of the applicant’s TANF eligibility or participation, if applicable, and can include applicant’s social security number or assigned TANF identification number.* Requirements are only applicable if there are work requirements through TANF. Refer to the CCDF State Plan section 3.1.3.

Department response regarding fluctuating work schedules: ECECD appreciates this comment. ECECD is committed to engaging stakeholders to review this further. This recommendation will require additional input from a number of stakeholders and a policy change. ECECD currently licenses child care providers who serve children during non-traditional hours; the Department is working out funding logistics to determine how care during non-traditional hours can be expanded. ECECD is committed to developing contracts to extend Head Start, PreK Services, and child care services. This was not part of the required sections of the CCDF State Plan.

Department response regarding meaningful public comment: ECECD complied with federal requirements for the public comment period. Notices of public hearing were emailed and mailed (in Spanish and English) to all child care providers and participating families to ensure they received information about the public comment period. In addition, ECECD held 9 regional sessions and 17 stakeholder meetings (nearly 900 individuals participated in these meetings) to provide an avenue for input to be shared. ECECD is committed to maintaining communication with a variety of stakeholders through ongoing meetings with an array of stakeholders, bi-weekly Tuesday morning calls and a weekly e-mail communication. Refer section 1.3.2 of the CCDF State Plan.

Department response regarding public-private partnerships: ECECD is committed to establishing and maintaining partnerships for ongoing collaboration to support early childhood. The Department has developed a strategic plan, which includes five key priorities, one of which is to pursue authentic collaborations. ECECD recognizes the value of building strong partnerships and, since its inception, has prioritized open communication and collaboration with public and private entities. Refer section 1.6 of the CCDF State Plan.

Department response regarding comments related to the Child Care Resource and Referral system: ECECD recognizes the importance of sharing information broadly with families about available resources and early childhood programs. The Early Childhood Education and Family Services Portal, found on the child care resource and referral website (<https://search.newmexicokids.org>), enables families to search for services via their address. Search results will include the following services, as available: child care, home visiting, NM PreK, Head Start, Early Head Start, early intervention (FIT), and Special Education Preschool. For more information related to New Mexico’s Child Care Resource and Referral refer to the following CCDF State Plan sections: 1.7 Coordination with Child Care Resource and Referral Systems, 2.4 Additional Consumer and Provider Education, and 7.5 Child Care Resource and Referral.

Department response regarding comments related to the coordination with Home Visiting and ensuring that families know about Child Care Assistance upon the birth of a new child: ECECD houses the New Mexico Home Visiting and the Child Care Assistance programs and is committed to coordination among home visiting and child care. ECECD also partners with the Human Services Department (HSD) for the implementation and oversight of the Medicaid funded Centennial Home Visiting Program. Home visitors do refer families to child care and early education and care opportunities. As reported in the annual home visiting report, there were 974 child care referrals in FY20. Information regarding how home visiting is both an added resource and an outreach opportunity is included throughout the CCDF State Plan (see sections 1.4.1.; 2.1.1.; 2.4.1.; 2.4.4.; 6.2.4.; 7.4.1; and 7.4.2.).

Department response regarding comments related to increasing access for vulnerable children and families: ECECD supports this recommendation. ECECD is currently working with partners at the Human Services Department to develop coordinated eligibility determination among public benefit programs including TANF.

ECECD has streamlined the child care assistance application process and has made attempts to coordinate access to a number of public benefits for families. ECECD is committed to continuing the work to enhance coordination. The coordination with TANF, and other relevant partners, is addressed in section 1.4.1.a. of the CCDF State Plan.

Department response regarding comments related to serving families who receive TANF:

Diverting TANF cash assistance: TANF cash assistance funds are not being diverted. TANF funds used to support child care assistance are targeted to TANF eligible families.

Automatic eligibility: ECECD supports this recommendation. ECECD is currently working with partners at the Human Services Department to develop coordinated eligibility determination among public benefit programs including TANF. ECECD has streamlined the child care assistance application process and has made attempts to coordinate access to a number of public benefits for families. ECECD is committed to continuing the work to enhance coordination.

Ensuring child care continues: ECECD provides a 12-month eligibility even when a short term TANF work participation agreement is in place. ECECD recognizes the issues raised regarding work participation agreements however, these agreements do not fall within the purview of the Department.

The coordination with TANF, and other relevant partners, is addressed in section 1.4.1.a.

Department response regarding comments related to safeguarding accessibility for clients with disabilities:

ECECD ensures that providers do not discriminate against children with disabilities. Provisions for caring for children with disabilities are included in the child care assistance regulations. Requirements for referral processes are in place for when children are identified with disabilities and are participating in child care assistance (NMAC 8.6.15.2.9. f). In addition, NMAC 8.16.2.21.a. addresses requirements for access for new centers, and NMAC 8.16.2.24.e. addresses additional requirements for services for children with special needs. Supports for at-risk clientele will also continue. Training and consultation services for early childhood education and care professionals are included in the CCDF State Plan; refer to sections 2.5; 6.2.4; 7.3.1; and 7.4.1.

Department response regarding comments related to wages and benefits for child care workers: ECECD is in the process of making programmatic changes to the wage supplement program based on feedback from an array of stakeholders. This was not part of the required sections of the CCDF State Plan.

Department response regarding comments related to diversity and inclusion: The ECECD Strategic Plan includes a commitment to achieve equity by actively supporting multilingualism and multi-culturalism within the state's early childhood programs and facilitate and foster teaching strategies that preserve a child's home language. The plan also includes the commitment to implementing realistic and supported pathways for early childhood professionals to obtain higher education credits, for years of teaching experience, and bi-lingual and multi-lingual endorsements. This was not part of the required sections of the CCDF State Plan.

Department response related to comments based on data reporting:

Churn: ECECD is currently engaged in a research effort with the University of New Mexico Cradle to Career Policy Institute to examine churn. ECECD is also working on improving internal processes to enhance communication with families in an effort to help them maintain eligibility and successfully complete the recertification process. ECECD will continue to engage with stakeholders to identify gaps and barriers families experience during the recertification period.

Co-enrollment: ECECD supports this recommendation. ECECD is currently working with partners at the Human Services Department to develop coordinated eligibility determination among public benefit programs including TANF. ECECD has streamlined the child care assistance application process and has made attempts to coordinate access to a number of public benefits for families. ECECD is committed to continuing the work to enhance coordination.

Timeliness of Processing: Timely processing of applications and renewals is a top priority; ECECD is in process of collecting data and tracking this information. Timeliness of processing is addressed in the CCDF State Plan Section 3.1.9.

Department response regarding suggestions to reduce barriers for family participation: ECECD is committed to the ongoing review of policies and procedures to expand eligibility. In addition, ECECD is committed to lowering barriers and broadening access for families, ensuring access to high quality early childhood experiences. The CCDF State Plan addresses family eligibility and access within chapter three.

ECECD supports this recommendation. ECECD is currently working with partners at the Human Services Department to develop coordinated eligibility determination among public benefit programs including TANF. ECECD has streamlined the child care assistance application process and has made attempts to coordinate access to a number of public benefits for families. ECECD is committed to continuing the work to enhance coordination.

As part of ECECD's 2021-2024 Strategic Plan, it identified the following guiding principles as part of its framework for building an efficient and effective early childhood system, of which expanding access and reducing barriers to families are key:

Equitable Access:

- Ensure respect for and celebration of New Mexico's multicultural and multilingual diversity.
- Seek to heal trauma, including historical and generational trauma, and deconstruct systemic racism, sexism, and other entrenched and unfair biases.
- Prioritize resources and opportunities for those with greater needs.
- Increase family engagement through a multi-generational, and cross-sector approach which supports different family structures and addresses the integrated factors which affect family stability and well-being.
- Move towards universal access for families to early childhood programs and support structures.

Coordination and Collaboration:

- Foster consistent transparency and clear communication to build trust in all areas and relationships with early childhood programs and tribal partners.
- Build on and magnify local assets and abilities to solve local problems. This includes using social capital, networks, and relationships, as well as physical infrastructure, and linguistic and cultural assets.

Quality:

- Embrace continuous improvement where data and feedback are used, to ensure transparency and progress towards clear goals.
- Use developmentally appropriate approaches and inclusive practices for working with all children and families.
- Support early childhood educators and cultural knowledge systems, especially in rural / tribal communities.
- Ensure best practices and healthy environments and interactions throughout the system, i.e. support for the workforce, strong customer service for families, and a culture of promoting well-being.

Department response related to comments for expanding access for low-income families: Part of the CCDF State Plan that ECECD will submit on July 1, 2021, will include rate increases as emergency amendments to 8.15.2. NMAC. ECECD engaged in an ACF pre-approved alternative methodology and, as a result, will issue amended regulation with increased provider rates. Refer to chapter four of the CCDF State Plan for detailed information.

Department response related to comments regarding policies that reflect generally accepted payment practices: ECECD is committed to ongoing review of policies and procedures to support appropriate and generally accepted payment practices for child care providers. ECECD will consider this comment along with any

concerns received from parents/guardians who may be impacted. Generally accepted payment practices are addressed within section 4.4 of the CCDF State Plan.

Department response related to comments regarding suggestions to streamline fingerprinting and background checks: Provisional background clearance is generally issued within 24 hours and allows an individual to work under supervision. ECECD is committed to working with our Federal partners to streamline processes for background checks, in accordance with Federal requirements. Section 5.5 of the CCDF State Plan provides detail regarding comprehensive background checks.

Department response related to comments regarding suggestions to incentivize professional development: ECECD is committed to advancing a diverse, well-compensated, and credentialed workforce. Efforts include supporting the early childhood workforce through the Early Childhood Comprehensive Scholarship and Wage Supplement Programs. ECECD is committed to improving supports by reducing barriers and expanding programs to ensure all early childhood professionals have access to professional development and higher education opportunities. The Scholarship and Wage Supplement Programs are addressed in the following CCDF State Plan sections: 6.1.1.vi.; 6.1.2.; 6.1.3.; 6.3.1.b.iii.; 6.3.2.; and 7.3.5.

Department response related to comments regarding suggestions to increase the rates for quality care: ECECD appreciates this comment and assumes it relates to New Mexico. Part of the CCDF State Plan that ECECD will submit on July 1, 2021, will include rate increases as emergency amendments to 8.15.2. NMAC. ECECD engaged in an ACF pre-approved alternative methodology and, as a result, will issue amended regulation with increased provider rates. More detailed information can be found in chapter four of the CCDF State Plan.

Department response related to comments suggesting rewarding accreditation and covering the cost of accreditation fees: ECECD supports providers through the tiered quality rating and improvement system, TQRIS-FOCUS program, and provides rate increases to providers when they achieve a subsequent star-level. There are no fees charged for providers to participate in TQRIS. Providers who achieve national accreditation (through an approved accrediting body) are recognized as a 5-Star provider and receive the corresponding reimbursement rate. Accreditation support is addressed within section 7.8 of the CCDF State Plan.

Department response to comments related to greater compensation and professional development opportunities, including suggestions to define how the Department's wage and career lattice will relate to pay equity between both public and private PreK teachers: ECECD appreciates the comments and agrees; ECECD is committed to advancing a diverse, well-compensated and credentialed workforce. ECECD administers a Wage Supplement Program for eligible early childhood educators and educational assistants working in a child care setting who receive less than \$16 per hour. Supplemental payment amounts are determined by the hours worked and educational attainment of the individual. In state fiscal year 2022, ECECD will launch a PreK Pay Parity program to address the pay inequities between public and private PreK educators who hold similar roles and have achieved comparable levels of education within the field of early childhood. Refer to CCDF State Plan sections 6.1.2. and 6.3.2.

Department response related to comments regarding plans to support, retain and recruit early educators who speak other languages than English: In May 2021, ECECD launched a bilingual incentive program to support the recruitment and retention of early childhood educators who speak languages other than English. The bilingual incentive program, supported by state general funds, provides a one-time payment of \$1,500 to early childhood educators who have achieved a bilingual certification. ECECD is also in the process of seeking a grant through the W.K. Kellogg Foundation for the development of an education cohort model of 50 early childhood educators to participate in an associate degree program for early childhood development and bilingual educator certification. The recruitment and retention of a qualified and effective workforce is addressed throughout Chapter 6 of the CCDF State Plan.

Department response related to comments regarding continuing supports for scholarships and wage supplements and to increase wage supplement amounts: ECECD is committed to advancing a diverse, well-

compensated, and credentialed workforce. Efforts include supporting the early childhood workforce through the Early Childhood Comprehensive Scholarship and Wage Supplement Programs. ECECD is committed to improving supports by reducing barriers and expanding programs to ensure all early childhood professionals have access to professional development and higher education opportunities. The Scholarship and Wage Supplement Programs are addressed in the following CCDF State Plan sections: 6.1.1.vi.; 6.1.2.; 6.1.3.; 6.3.1.b.iii.; 6.3.2.; and 7.3.5.

The Early Childhood Comprehensive Scholarship Program supports early childhood professionals by covering tuition, fees, and book expenses for eligible professionals seeking certificates and higher education degrees in early childhood.

ECECD administers the Wage Supplement Program for eligible early childhood educators and educational assistants working in a child care setting who receive less than \$16 per hour. Supplemental payment amounts are determined by the hours worked and educational attainment of the individual.

ECECD continuously seeks to improve the scholarship, wage supplement, and ongoing efforts to support the early childhood workforce. In May 2021, ECECD launched a bilingual incentive program to support the recruitment and retention of early childhood educators who speak languages other than English. The bilingual incentive program, supported by state general funds, provides a one-time payment of \$1,500 to early childhood educators who have achieved a bilingual certification. ECECD is also in the process of seeking a grant through the W.K. Kellogg Foundation for the development of an education cohort model of 50 early childhood educators to participate in an associate degree program for early childhood development and bilingual educator certification.

Part of the CCDF State Plan that ECECD will submit by July 1, 2021, will include rate increases as emergency amendments to 8.15.2. NMAC. ECECD engaged in an ACF pre-approved alternative methodology and, as a result, will issue amended regulation with increased provider rates. It is the hope of ECECD that the rate increases for providers will also trickle down and have a positive impact on salaries/wages for early childhood professionals. More information can be found in chapter four of the CCDF State Plan.

Department response regarding comments suggesting ECECD should assist other Lead Agencies in promoting opportunities to involve high-quality child care providers in the development and implementation of their own state's CCDF plans, and assisting other Lead Agencies over the plan implementation period in supporting the use of social media: As ECECD understands the comments, ECECD will continue to engage child care providers for their input. ECECD is also available to assist other state's lead agencies if they reach out. This was not part of the required sections of the CCDF State Plan.

Department response regarding comments to provide more transparency into the base payment rate percentiles: Part of the CCDF State Plan that ECECD will submit on July 1, 2021, will include rate increases as emergency amendments to 8.15.2. NMAC. ECECD engaged in an ACF pre-approved alternative methodology and, as a result, will issue amended regulation with increased provider rates. More information can be found in chapter four of the CCDF State Plan.

Department response to comments suggesting ECECD include a statement expressing interest in exploring funding for differential rates paid to child care programs serving infants and toddlers and children with special needs: ECECD will consider reviewing policies and procedures regarding how differential rates are paid to child care programs serving infants and toddlers and children with special needs. ECECD commits to ensuring access to high quality care to include infants and toddlers and children with special needs. This was not part of the required sections of the CCDF State Plan.

Department response regarding comments suggesting ECECD include a description to work with the Legislature and Governor over the next three years to increase base reimbursement rates to more accurately reflect the cost of care: Part of the CCDF State Plan that ECECD will submit on July 1, 2021, will include rate

increases as emergency amendments to 8.15.2. NMAC. ECECD engaged in an ACF pre-approved alternative methodology and, as a result, will issue amended regulation with increased provider rates. More information can be found in chapter four of the CCDF State Plan.

Department response regarding comments to review the statement verifying monthly pay runs are performed and clarify which entity verifies timely and accurate payments, and suggestions that ECECD add an intent to review the payment practice: ECECD is aware of some of the issues and is committed to improving processes to alleviate concerns. On or about 2018/2019, there were system changes that caused alignment issues resulting in delayed notices for overpayments. The COVID-19 pandemic also created unforeseen delays. ECECD will continue to consider any proposed improvements to these procedures. ECECD has launched a provider dashboard that is currently being piloted by various providers throughout the state. Payment practices are addressed within section 4.4 of the CCDF State Plan.

Department response regarding suggestions that ECECD work with the state to become a “Compact State” and participate in the National Fingerprint File (NFF) program: We appreciate this comment and will consider the input. Information regarding comprehensive background checks is addressed within section of 5.5 within the CCDF State Plan.

Department response regarding comments suggesting ECECD include a statement expressing interest over the plan period to address ongoing or periodic quality stipends and tax credits for higher quality childcare: ECECD will review policies and procedures and consider a plan to address ongoing or periodic quality stipends and tax credits for higher quality child care. We are committed to supporting child care providers in offsetting the cost of providing high quality child care in New Mexico. This was not part of required sections of the CCDF State Plan.

Department Response regarding comments commending the state and offer of further assistance in the development or implementation of the plan: ECECD appreciates the comment and will continue to attempt to make improvements to the early childhood system in New Mexico to ensure all children have access to high quality care. ECECD is committed to continued partnering with stakeholders and appreciates your input.