

How the American Rescue Plan Will Help New Mexico

WHAT THE INCOME ASSISTANCE WILL DO

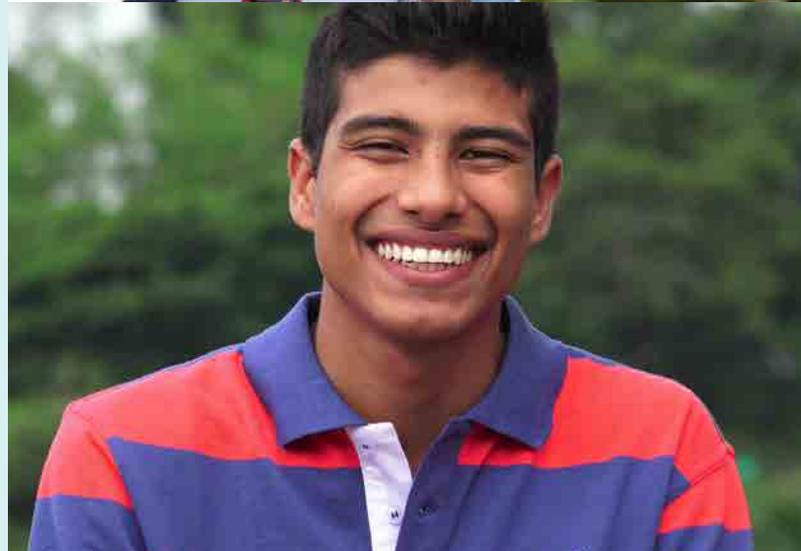
- Provide families with children age 17 and younger advance payments of their Child Tax Credit (CTC) for tax year 2021.
- Send families installments of their CTC (\$3,600 per child ages 6 and younger and \$3,000 per child ages 6 to 17) beginning in July for one year.
- Expand the Earned Income Tax Credit (EITC) for more than 17 million adult workers without children.
- Extend the \$300-per-week federal unemployment supplement to benefits through Sept. 6.

How New Mexico Will Benefit

- **95%** of our children (or 454,000) will benefit from the CTC expansion.
 - Of those **454,000** children: 281,000 are Hispanic, 102,000 are white, 61,000 are Native, Black, or multiple races, and 5,000 are Asian.
- The 454,000 includes **244,000** children who were **left out** of the full \$2,000 Child Tax Credit in prior law because their parents **earned too little**.
 - Of those 244,000 children: 165,000 are Hispanic, 33,000 are white, and 42,000 are Native, Black, Asian, or multiple races.
- At least **28,000** U.S. citizen children, who were **left out** of previous pandemic relief because of a parent's immigration status, will benefit from stimulus checks.
- **134,000** workers without children will benefit from the EITC expansion.
 - Of those workers: 61,000 are Hispanic, 53,000 are white, and 14,000 are Native, Black, Asian, or multiple races.

Why This is Needed

- **49%** of New Mexico adults in households with children have lost employment income since March 2020 (Feb. 3-Mar. 1).
- **36%** of New Mexico adults reported having difficulty covering their usual household expenses (Feb. 3-Mar. 1).
- A disproportionate number of job losses since last February are in industries that pay low wages.
- Workers of color have experienced a far slower jobs recovery than have white workers.



WHAT THE FOOD AND HOUSING ASSISTANCE WILL DO

- Provide the states with \$12 billion for food assistance programs like SNAP.
- Extend the 15% SNAP benefit increase through Sept. 30.
- Provide more than \$42 billion in assistance for renters and homeowners.
- Provide \$5 billion in homelessness assistance.
- Provide \$5 billion in utility assistance.

How New Mexico Will Benefit

- New Mexico's **493,000** SNAP participants will get, on average, a \$24 monthly increase.
- Those monthly increases will bring about \$12 million to New Mexico.
 - **67%** of the SNAP increase will go to households with children.

Why This is Needed

- **18%** of New Mexico adults reported that children in their household weren't eating enough because the household couldn't afford enough (Feb. 3-Mar. 1).
- Households with children, especially Hispanic and Black households, have disproportionately experienced food insecurity.
- **18%** of New Mexico renters reported not being caught up on rent (Feb 3-Mar. 1).
- Those struggling to pay rent are disproportionately households with children and people of color, particularly people who are Hispanic or Black.



WHAT THE EDUCATION AND HEALTH CARE ASSISTANCE WILL DO

- Provide \$25 billion in emergency funds for child care and \$15 billion for the Child Care and Development Block Grant (CCDBG) program to help child care providers, workers, and families.
- Provide \$123 billion for school districts to address the pandemic and its effects on student learning.
- Expand the Affordable Care Act's premium subsidies, reducing the number of uninsured by an estimated 1.3 million.
- Provide \$350 billion to help states, localities, tribal governments, and territories cover unexpected costs associated with the pandemic and offset the loss of revenue.



Sources: Multiple reports from the Center on Budget and Policy Priorities; "What the American Rescue Plan Act Means for Children and Families," Children's Defense Fund, March 10, 2021; and Population Reference Bureau analysis of U.S. Census Bureau, Household Pulse Survey, 2021