

Safety Net Programs Dramatically Reduce Child Poverty in New Mexico

JEC Chair Martin Heinrich has championed programs like nutrition assistance, the Child Tax Credit, subsidized school meals, and child care supports that improve children's well-being both in New Mexico and around the country. Child poverty is lower, especially in New Mexico, once the effects of these programs are included in how the Census Bureau measures families' economic well-being. While more must be done to cut child poverty, using a more comprehensive measure shows how anti-poverty programs are improving kids' lives.

Using a more comprehensive poverty measure shows that New Mexico has made significant progress on improving child welfare and lowering child poverty

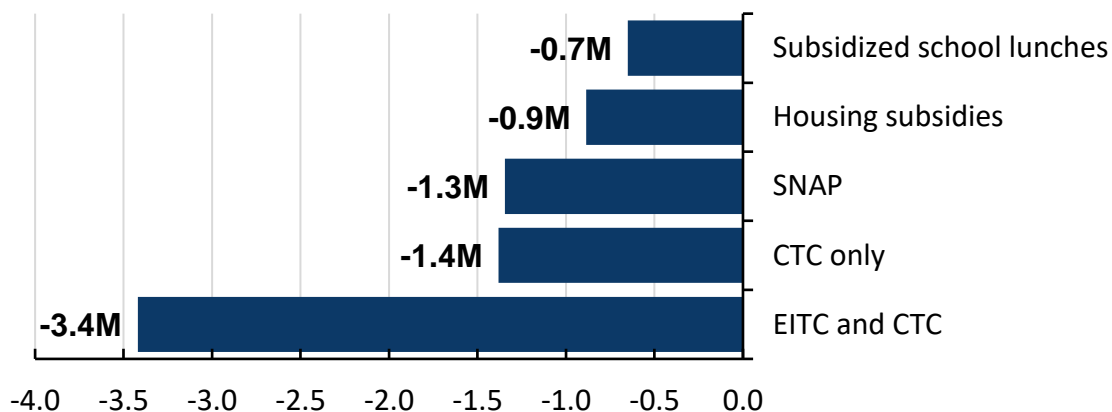
- The Official Poverty Measure (OPM) reported by the Census Bureau only accounts for [certain types](#) of pre-tax income, does not account for required family expenses, and does not adjust the poverty cutoff for local costs of living.
- In contrast, the Supplemental Poverty Measure ([SPM](#)) factors in important programs like tax credits, nutrition assistance, and housing subsidies as well as expenses like child care and out-of-pocket health care spending. The SPM also adjusts the poverty threshold to account for local costs of living.
- When accounting for the effect of social safety net programs and local costs of living, the [Census Bureau](#) shows that 8.9% of kids in New Mexico were in poverty across 2021-2023, far below the estimate of 27.4% using the measure that does not factor in those programs.
 - Using the SPM, New Mexico's child poverty rate is below the national average of 10.4% and moves from the bottom of the 50 state rankings under OPM to being tied for 17th.
- At a national level, child poverty was 5 percentage points lower under the SPM compared to the OPM, and all but one state had lower child poverty rates when using the SPM.

Safety net programs for families kept millions of kids out of poverty

- The SPM factors in the significant anti-poverty effects of safety net programs, which leads to a significantly lower child poverty rate.
- Looking just at SPM poverty last year, [data](#) show that the EITC and refundable portion of the CTC lifted 3.4 million children out of poverty nationally, while the Supplemental Nutrition Assistance Program (SNAP) lifted over 1.3 million children out of poverty.
 - The graph on the following page shows how many kids are lifted out of poverty by select safety net programs, though because families can receive more than one benefit these numbers overlap and cannot be added together to estimate overall poverty reduction.

Federal Programs Lift Millions of Kids Out of Poverty

Reduction in the number of people (in millions) under age 18 in poverty as measured by the Supplemental Poverty Measure after including select



Source: U.S. Census Bureau

Note: CTC calculations are for only the refundable portion. Note that because people may benefit from multiple programs, these numbers cannot be added together.



- While these effects are not available by state, the anti-poverty effect of a program like SNAP will be larger in New Mexico because [nearly 100%](#) of eligible families in the state receive SNAP benefits. Families in New Mexico also benefit from an [additional](#) state child tax credit that will further reduce poverty.
- The SPM also factors in the [expenses](#) associated with raising a family like the cost of child care, out-of-pocket medical expenses, or commuting costs that could push a family into poverty. Families in New Mexico also receive help with these expenses through state programs that lower the cost of [child care](#) or because many kids are [covered](#) by Medicaid.

Democrats like JEC Chair Martin Heinrich have championed programs like SNAP, the CTC, and other investments in family well-being

- Democrats in Congress and the Biden-Harris administration have worked to protect and strengthen these programs. Specifically, JEC Chairman Heinrich has:
 - Ensured SNAP, WIC, and school meals programs are [fully funded](#) through the appropriations process;
 - Been a long-time [proponent](#) of the national CTC, including its expansion through the ARP and the state's version of the credit;
 - Co-sponsored the [Working Families Tax Relief Act](#) to boost the incomes of 40 million households by expanding both the CTC and EITC and voted to [expand](#) Medicaid and lower medical costs as part of the Affordable Care Act; and
 - Helped lead New Mexico's [efforts](#) to reduce the cost of child care, including through the use of the Land Grant Permanent Fund and Early Childhood Trust Fund to expand eligibility for assistance and waive copayments for almost all families in the state.