

COVID-19's Impact on Latino Families Economic Well-Being in New Mexico

Results From the 2020 New Mexico Latino Family Survey



Abriendo Puertas
Opening Doors



Latino  **Decisions**

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PROJECT OVERVIEW AND METHODOLOGY

On behalf of a coalition of non-profit organizations committed to supporting families in New Mexico, Latino Decisions conducted a state-wide survey of Latino parents with children eighteen years or younger to learn more about the many challenges COVID-19 has created for New Mexico's families¹. Latino Decisions collected opinions from 480 Latino parents (including 165 immigrant parents) and primary-caregivers about the challenges they have overcome as COVID-19 shut down schools and left a record number of New Mexicans unemployed. This survey's results are to our knowledge the most comprehensive study of Hispanic families in New Mexico since President Donald Trump declared the novel the COVID-19 a national emergency on March 13, 2020.

Surveys were completed using a blended approach that included online surveys, and live telephone interviews conducted via landlines and cell phones. The survey was available in English or Spanish and carries an overall +/- 4.4% margin of error, with larger margins for sub-samples. Upon completion, the data were weighted to match the U.S. Census ACS for New Mexico parents of Hispanic origin. The survey was conducted from June 4 – 12, 2020. The study is therefore the most recent survey conducted of Hispanic families in New Mexico that provides useful information for legislators as they prepare for a historic one-day session to decide what revisions to the state's budget will be needed in light of the economic recession.

MAIN FINDINGS FROM THE SURVEY'S ECONOMIC WELL-BEING CONTENT

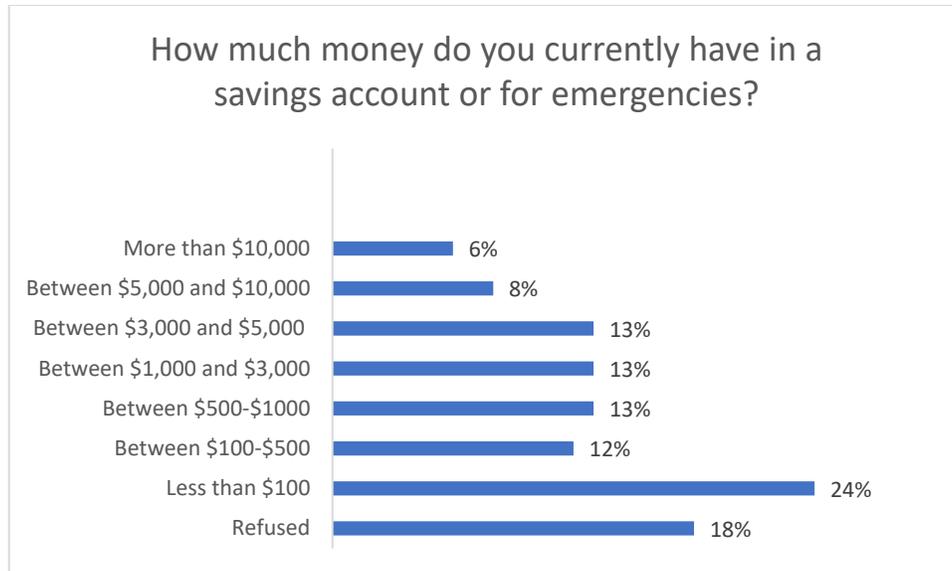
The survey provides an opportunity to evaluate the economic vulnerability of many Latino families in New Mexico who the survey reveals have been hit hard by the economic recession caused by COVID-19. Below are some of the sobering data-points that illustrate just how severe the virus has been on the economic well-being of Hispanic families across the state.

- **20%** of Hispanic families in New Mexico have had someone in their household lose their job since COVID-19
- **20%** of Hispanic parents/primary caregivers have seen their business shut down and/or see significant drops in revenue.
- **33%** (1 in 3) parents/primary caregivers have had trouble paying for their rent or mortgage.
- **48%** had work hours cut, or their pay cut, but have kept their job.

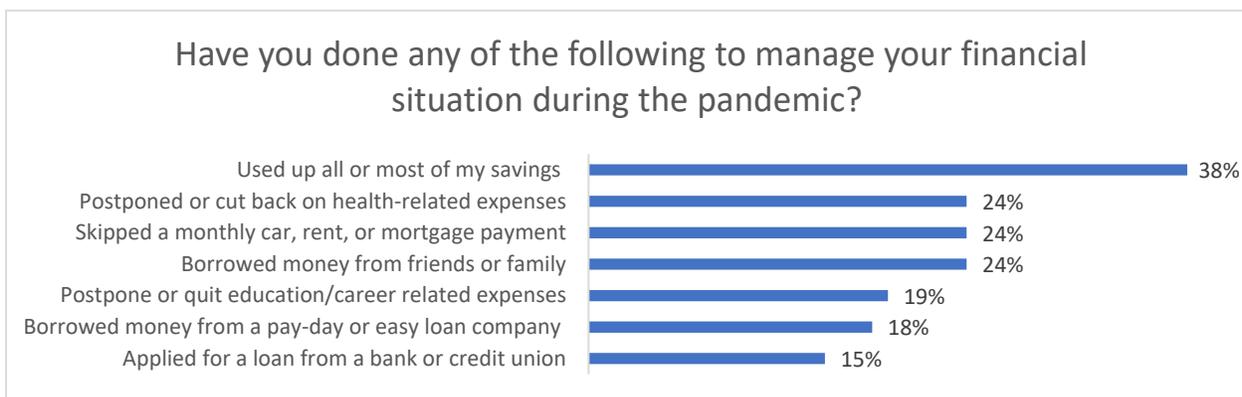
The economic vulnerability of Hispanic families is best reflected in the limited safety net most respondents in our representative sample have available to lean on during this difficult time. As reflected in the figure below, half (49%) of Hispanic families in the state have only \$1,000 or less in savings for financial emergencies, 24% with an astonishing \$100 or less. The financial

¹ We use the terms Latino and Hispanic interchangeably in this report. The survey respondents however the majority (74%) of the respondents prefer Hispanic over Latino LatinX, or other terms.

stress families are under right now is reflected in families making “receiving help with wages and income” the most cited issue (31%) in an open-ended question to respondents asking them about the most important issues facing their community that government should address.



New Mexico’s Hispanic families have had to make several tough decisions in order to manage the financial situation of their households during the pandemic. This includes nearly 40% of families using up all or most of their savings, and 24% borrowing money from friends and family. One of the most tragic findings from the survey is that 18% of vulnerable Hispanic families have turned to pay-day or easy loan companies that charge a high interest rate. This is highest among parents with young families with children ages 0-4 at 29%. This is further evidence that the state’s regulations on these businesses that are often predatory in their marketing and interest rate escalation should be enhanced to ensure that families facing dire economic consequences due to the public health crisis do not find themselves in financial ruin due to taking out a high interest rate loan.



The rise in unemployment among Latinos in New Mexico has also generated a decrease in insurance coverage among families in the state, as 23% of respondents indicated that they or someone in their household have lost their employer-provided insurance benefits. Among those who lost insurance, 26% reported that their children lost their insurance as well. This could unfortunately mean that the significant improvements in health coverage for Hispanic families in the state through the implementation of the Affordable Care Act could be ultimately wiped out.

HISPANIC FAMILIES HAVE NOT RECEIVED MUCH SUPPORT

The survey asked respondents about any financial support or aid they may have received to help their family survive the economic stress due to COVID-19. This included information about the CARES Act one-time cash payment to Americans. Overall, 71% of Hispanic households reported either receiving a \$1,200 payment for a single person (40%), or a \$2,400 payment for a 2-person household (31%). The other 30% of the sample did not receive any payment from the CARES Act, and 40% of all families did not receive any additional payments for their children.

We also find that, one third (33%) of respondents who were laid off or furloughed are receiving unemployment benefits. When asked “why they did not receive these benefits,” the highest response among respondents (36%) was that they “were not eligible for unemployment benefits.” Another 27% “decided not to apply for personal reasons,” with a large percentage (28%) either “not knowing about unemployment benefits” or “how to apply for those benefits.” Finally, 11% of respondents had their application denied, and 13% attempted to apply but could not get through to the state agency to submit their application.

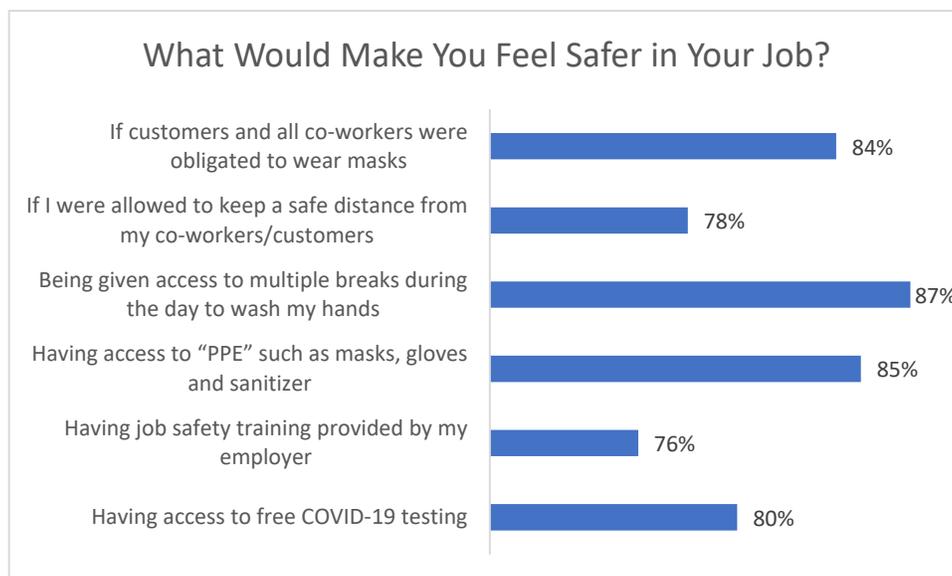
The survey also gathered information on Hispanic parent’s policy attitudes and preferences regarding approaches to provide relief funds for members of the community in need of support. The survey reveals overwhelming support for several approaches, including making sure that undocumented immigrants who currently pay federal income taxes to be eligible for stimulus checks (72%). A robust (79%) of Hispanic families support expanding unemployment insurance so that people who are still out of work because of coronavirus will continue to receive unemployment benefits. Finally, 80% of Hispanic families support providing funding for state and local governments that are running out of money due to the crisis, so that they can continue to provide essential services and will not cut jobs.

HISPANIC WORKFORCE IS ESSENTIAL BUT LACKS PROTECTION

For Hispanics parents in New Mexico who have not been laid off, nearly half (49%) are essential employees that continue to work outside of the home. This is even higher among Hispanic immigrants at 56%. Whether they are in the health care industry (31% of essential employees), first responders (20% of essential employees), or our grocery store and restaurant workforce (17%), Hispanic New Mexicans are key members of the workforce in the state who not able to work from home.

New Mexico’s businesses have done a solid job complying with the Governor’s directives, as 82% of respondents who are working outside of their home said that their employers provide them with protective equipment (PPE), such as gloves, masks, and/or sanitizer. A similarly high percentage (88%) of essential employees reported that they feel safe in their jobs because their job has the necessary procedures and equipment (such as providing frequent breaks for hand washing, masks, face shields or gloves) to protect me and lower my risk of contracting COVID-19. This is significantly higher than what Latino Decisions has found for Latinos nationally.²

As reflected in the figure below, when asked to indicate what steps could be taken to make them feel safer at work, essential Hispanic employees request maintaining several items already part of the Governor’s directives. This includes having customers and co-workers wear masks, and access to “PPE”, and having access to free COVID-19 testing. However, the essential Hispanic workforce in New Mexico, would also prefer to have job safety training provided by their employer to feel safer at their place of employment.



As the state legislature prepares for a historic session to decide what revisions to the state’s budget will be needed in light of the economic recession, we hope that they consider the findings of this study in their deliberations. The survey makes clear that families across the state are struggling financially with the severe impact that COVID-19 has had on the state’s economy and need as much support as possible to weather this storm.

Full results from the survey are available here: [ADD LINK TO TOPLINES](#)

² See: <https://latinodecisions.com/wp-content/uploads/2020/04/Somos-Toplines-041720.pdf>