

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 115

52nd Legislature, 2nd Session, 2016

Tracking Number: .202568.1

Short Title: Expand NM-Grown Produce in School Lunches

Sponsor(s): Representative Jimmie C. Hall

Analyst: Heidi L. Macdonald

Date: February 11, 2016 (Revised)

Bill Summary:

HB 115 appropriates \$90,000 from the General Fund to the board of regents of New Mexico State University (NMSU) for expenditure in FY17 and subsequent years for the New Mexico Department of Agriculture (NMDA) to expand its program providing locally grown fruits and vegetables for public school lunch programs.

Fiscal Impact (Revised):

The bill appropriates \$90,000 from the General Fund to the board of regents of NMSU for expenditure in FY17 and subsequent years. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the General Fund.

The FY16 appropriation to NMSU includes \$30,000 to expand NMDA's program that provides locally grown produce for school lunch programs.

In addition to the appropriation to NMDA, the Public Education Department (PED) received \$364,300 in General Fund revenue in FY16 to purchase New Mexico-grown fresh fruits and vegetables for public education students. The House Appropriations and Finance Committee Substitute for HB 2 & 4, which passed the House, appropriates \$364,300 to PED in FY17 in General Fund revenue to purchase New Mexico-grown fresh fruits and vegetables for public education students.

Substantive Issues:

According to New Mexico Economic Development Department (EDD), the NMDA program expands markets for New Mexico farmers while offering regionally grown fresh fruits and vegetables to students in school districts. While many small farmers lack the experience in wholesale marketing they need in order to meet the needs of school food service, the NMDA program provides hands-on training to assist farmers. Last year, 50 farmers participated in the NMDA program.

According to NMDA, the department partnered with the American Friends Service Committee (AFSC) to implement a pilot program in public school districts in Rio Arriba and Doña Ana counties during the 2015-2016 school year. Funds requested by AFSC totaled \$28,500. As the pilot program continues through the end of the school year, outcomes have not yet been identified.

PED noted that purchaser demand for locally grown produce continues to increase in interest. Research indicates that buying locally grown foods can increase employment and income opportunities within a community. Currently, PED receives funding from the United States Department of Agriculture (USDA) for administration of the Fresh Fruits and Vegetables Program. Approximately \$2.4 million is provided to school food authorities within school districts, state charters, private schools, and Bureau of Indian Education schools for the provision of fresh fruits and vegetables as part of the school breakfast and lunch programs. USDA funds do not have a stipulation or requirement that the fruits and vegetables be locally grown. PED also noted that they would continue to provide technical assistance and training regarding USDA compliance.

According to the Department of Health (DOH), HB 115 may have a positive impact on economic development as well as health status in school aged children. However, children with the highest prevalence of being overweight or obese are in counties outside the bill's proposed areas, with the exception of Rio Arriba County. This bill would better serve the health outcomes of New Mexico if it targeted areas already affected with high prevalence of overweight and obesity in addition to areas of economic insecurity and farmable land.

Technical Issues:

NMDA notes the bill does not define "farmer training programs."

Background:

DOH noted that obesity and overweight prevalence rates in New Mexico communities continue to remain high. In 2014, one in four kindergarten students was overweight or obese. Prevalence rates were significantly higher among third grade students, in which one in three students were overweight or obese.

Eating locally grown produce is not only good for the overall health of school children but supports the community, local farmers, economy, and environment. In fact, farm-to-school programs may increase fruit and vegetable purchases and intake when produce is included in a school salad bar or part of the meal selection during the school day. DOH indicates one study has examined student dietary behavior outside of school and found slight increases in the selection and intake of fruits and vegetables.

The New Mexico-Grown Fresh Fruits and Vegetables for School Meals program has provided locally grown produce to approximately 146,000 students from 2012 to 2014, and over 300,000 pounds of fresh fruits and vegetables have been sold to schools throughout the state. The program is serving 45 school districts during the 2014-2015 school year, and requests for funding have exceeded the funding made available by the Legislature.

Related Bills:

HB 189 *NM-Grown Produce in School Meals*

SB 82 *Expand NM-Grown Produce in School Lunches* (Identical)