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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 101/aHAWC/ec

SHORT TITLE: Regional Farm to Food Bank Funding

SPONSOR: Reps. Ferrary, Dow and Armstrong/Sen. Stefanics

LAST **ORIGINAL**
UPDATE: 1/26/26 **DATE:** 1/23/26 **ANALYST:** Jorgensen

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
\$2,000.0		Nonrecurring	General Fund

*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
NMDA	\$13.0	\$26.0	\$26.0	\$65.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis
New Mexico Department of Agriculture

SUMMARY

Summary of House Agriculture, Acequias and Water Resources Committee Amendment

The House Agriculture, Acequias and Water Resources Committee (HAAWC) amendment to HB101 reduces the appropriation from \$200 million to \$2 million.

Synopsis of Original Bill

House Bill 101 (HB101) appropriates \$200 million from the general fund to the New Mexico Department of Agriculture (NMDA) housed at New Mexico State University for the regional farm to food bank program.

This bill contains an emergency clause and would become effective immediately on signature by the governor.

FISCAL IMPLICATIONS

The appropriation of \$2 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY26 shall not revert to the general fund.

NMDA estimates the cost of administering the program to be \$26 thousand per year.

SIGNIFICANT ISSUES

NMDA notes:

The regional farm to food bank program strengthens New Mexico's local and regional food systems by sourcing directly from in-state producers, with a focus on small to mid-sized farmers. All purchases will be made within New Mexico, ensuring that investments remain local while expanding food access for underserved communities. The program prioritizes the distribution of high-quality, diverse, culturally relevant, and nutritious foods to regions where such options are limited. In doing so, the program supports producer viability and community health while reinforcing the resilience of New Mexico's regional food supply chain.

The regional farm to food bank program was established by the New Mexico Department of Agriculture in 2022 through the USDA Local Food Purchase Assistance program cooperative agreement. Between 2023 and 2025, the program contributed \$4.6 million to New Mexico's agricultural economy through the purchase of locally produced foods. Of this total, 43 percent was spent on meat products, including beef, pork, and lamb; 42 percent was spent on fruits and vegetables; and the remaining 15 percent was spent on other healthy food products.

Eighty-two percent of all food purchases were sourced from small to mid-sized producers and distributed through more than 250 food distribution sites across the state.

CJ/ct/cf/ct/hg/ct