



# NEW MEXICO LEGISLATIVE FINANCE COMMITTEE

## New Mexico Food Security Overview

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Legislative Health and Human Services Committee  
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# Overview

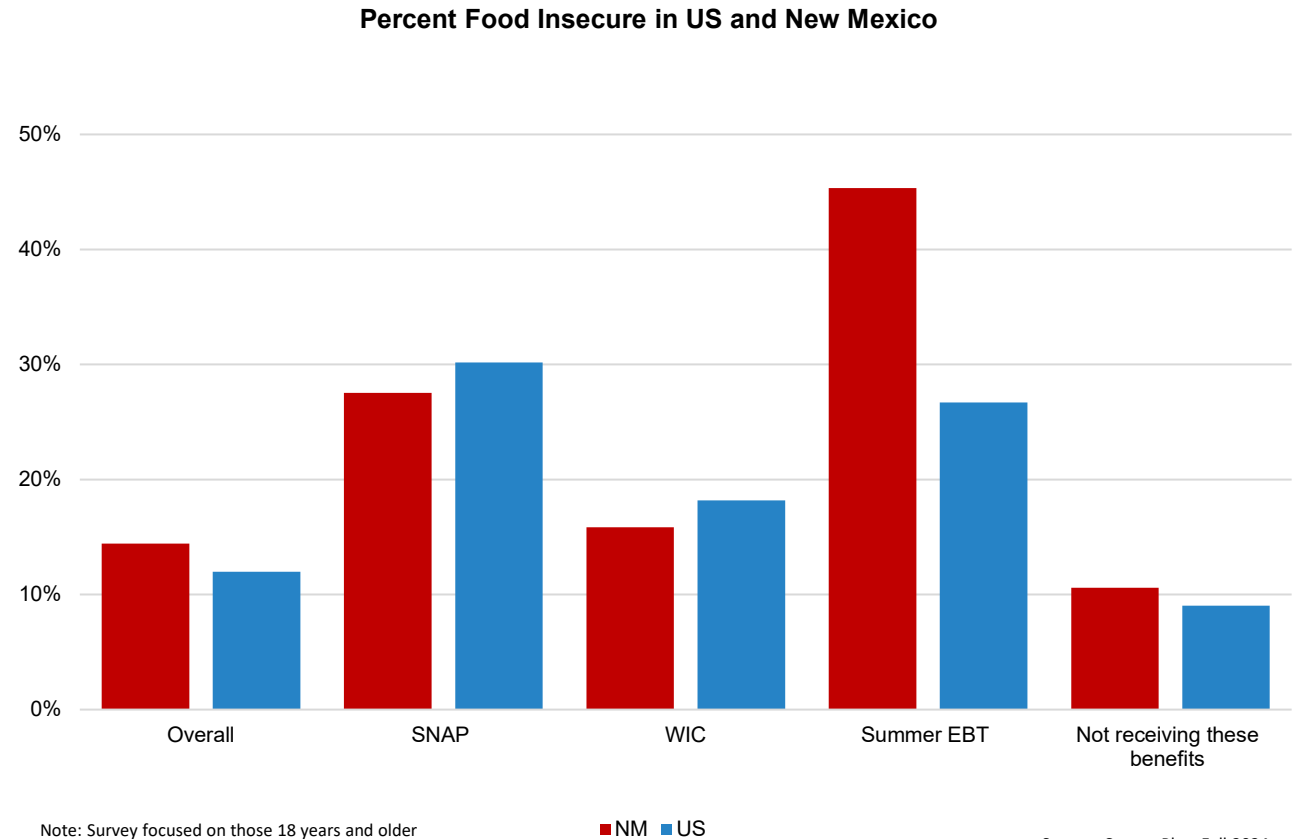
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- Background on food security in New Mexico.
- High rate of children with food insecurity.
- Array of food programs and networks.
- State funding support for food and food networks.
- SNAP in New Mexico.
- Potential federal changes to SNAP and possible state liabilities.



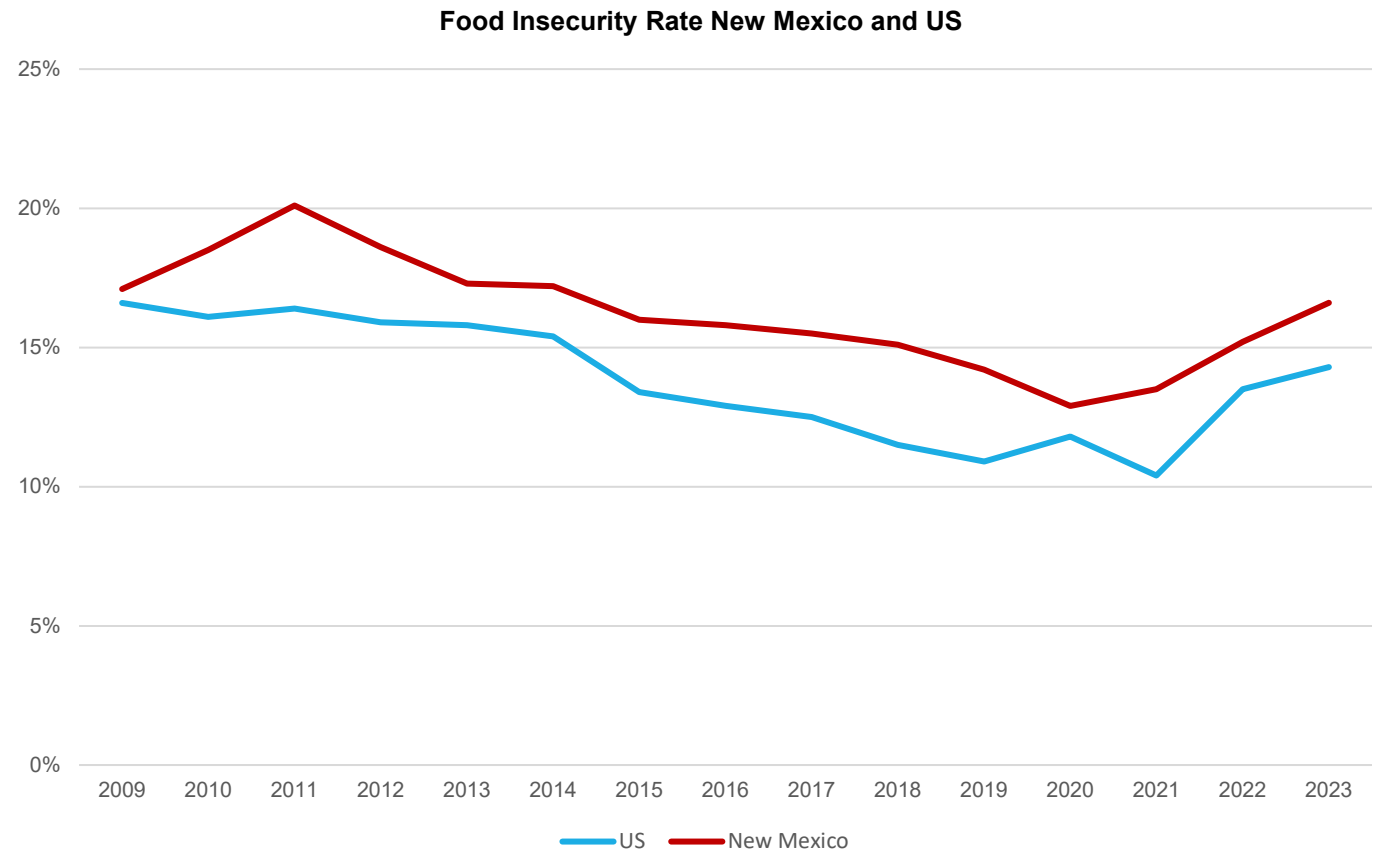
# Background

- In New Mexico, 14% of residents sometimes or often didn't have enough to eat, compared to the national average of 12% according to Census data (2024).
- In 2024, 1 in 7 New Mexicans and nearly 1 in 4 children lived in households without consistent access to adequate food.
  - Adequate food is defined as having access to enough safe and nutritious food for an active, healthy life.
- Among those receiving food assistance, 27.5% of SNAP recipients and 45% of those receiving Summer Electronic Benefits Transfer face food shortages.



# Food Insecurity Rate

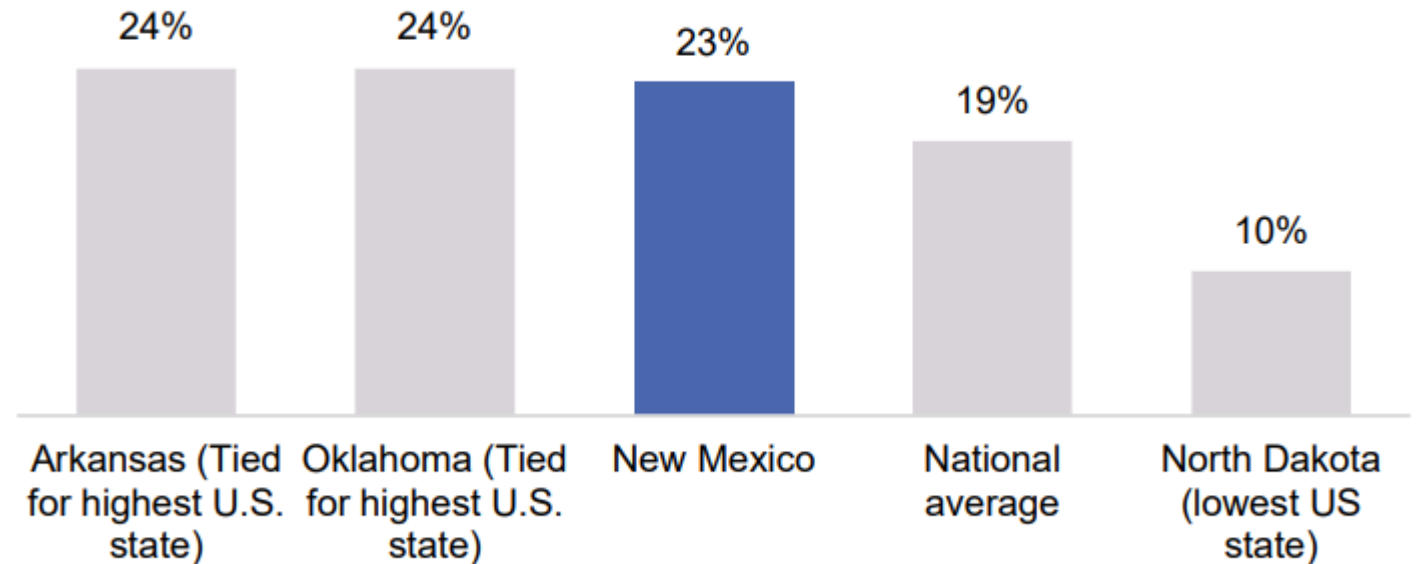
- NM has the 4<sup>th</sup> largest food insecurity rate among all states.
  - Rates consistently are 2-3 percent higher than the national average.
- The rate was falling until 2021 and has taken a sharp increase since that year.
  - Combined effects of inflation, food costs, pandemic funding ended, end of max SNAP allotments in 2023.
  - Most recent data is from 2023 and does not reflect the impact of recent state investments in food security.
- Most affected counties are Catron, Luna, McKinley, Sierra, Socorro, and Chavez, Cibola, Colfax, Dona Ana, Grant, Mora, Otero, Quay, Roosevelt, San Juan, San Miguel, and Torrance.



# Child Food Insecurity

- According to the *LFC School Meals Program Evaluation*, NM has one of the highest rates of child food insecurity.
- In 2023, an estimated 23% of NM children experienced food insecurity, above the national average of 19% ranking the state among the worst in the nation for childhood hunger.

**Chart 2. State-level Child Food Insecurity Rate (%)**



Note: Chart depicts highest and lowest states, NM and national average.  
Source: Feeding America 2025 analysis of 2023 USDA data



# Array of Food Programs

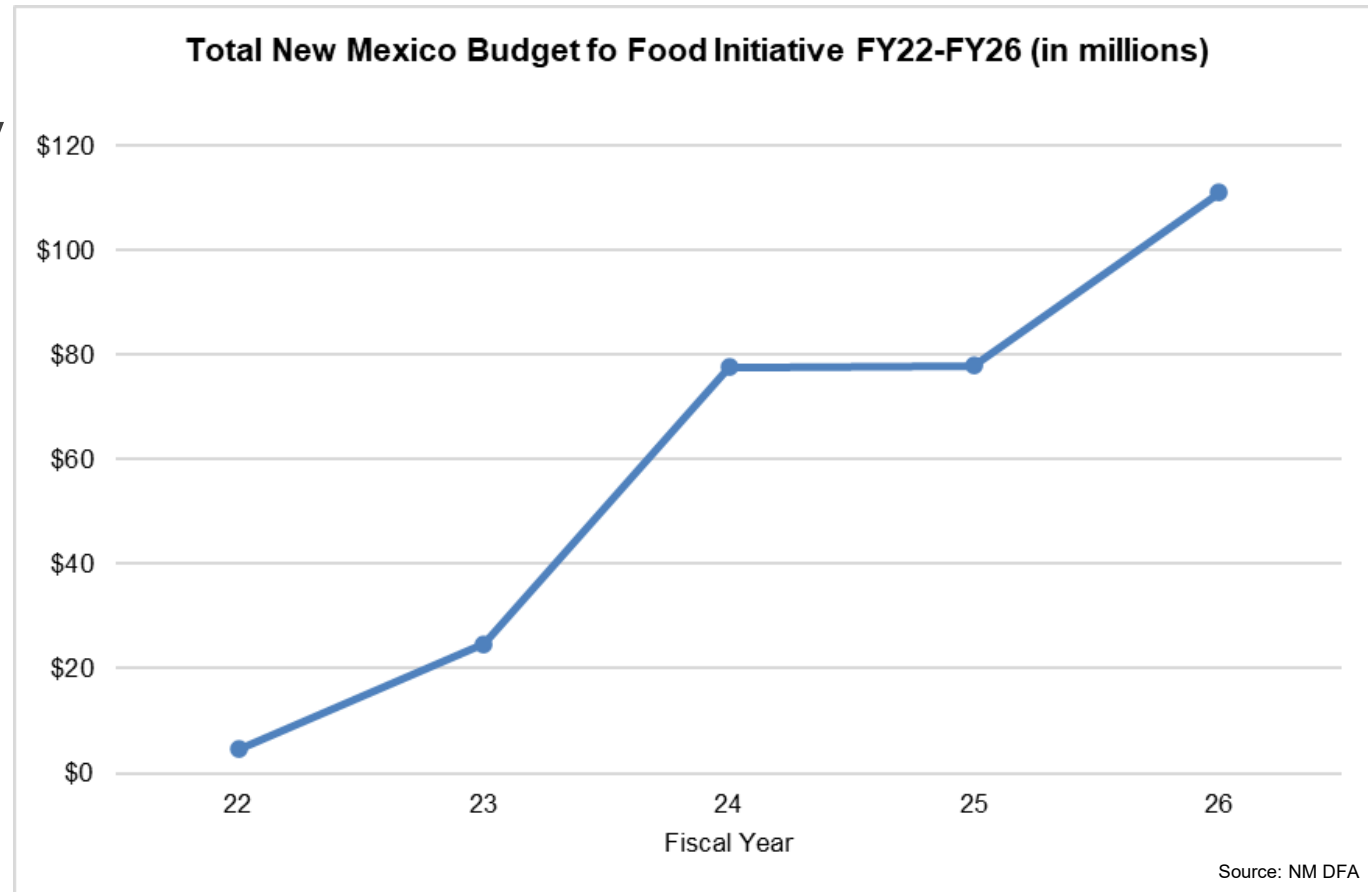
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- Supplemental Nutrition Assistance Program (SNAP, formerly food stamps) is the largest food program. NM is at 200% federal poverty level for SNAP and also supplements senior SNAP
- Other federal programs include the Commodity Supplemental Food Program, Emergency Food Assistance Program (TEFAP), surplus agriculture, Commodity Credit Corp, Thrifty Food Plan
- National School Lunch and Breakfast programs, Sun Bucks/Summer EBT
- Special Supplemental Nutrition Program for Women, Infants and Children (WIC)
- Meals on Wheels and Commodity Supplemental Food Program for seniors
- NM Grown Regional Farm to Food Bank Program; Farmers Market Nutrition; Food, Hunger and Nutrition Program; Double Up Food Bucks; network of food banks



# New Mexico Spending

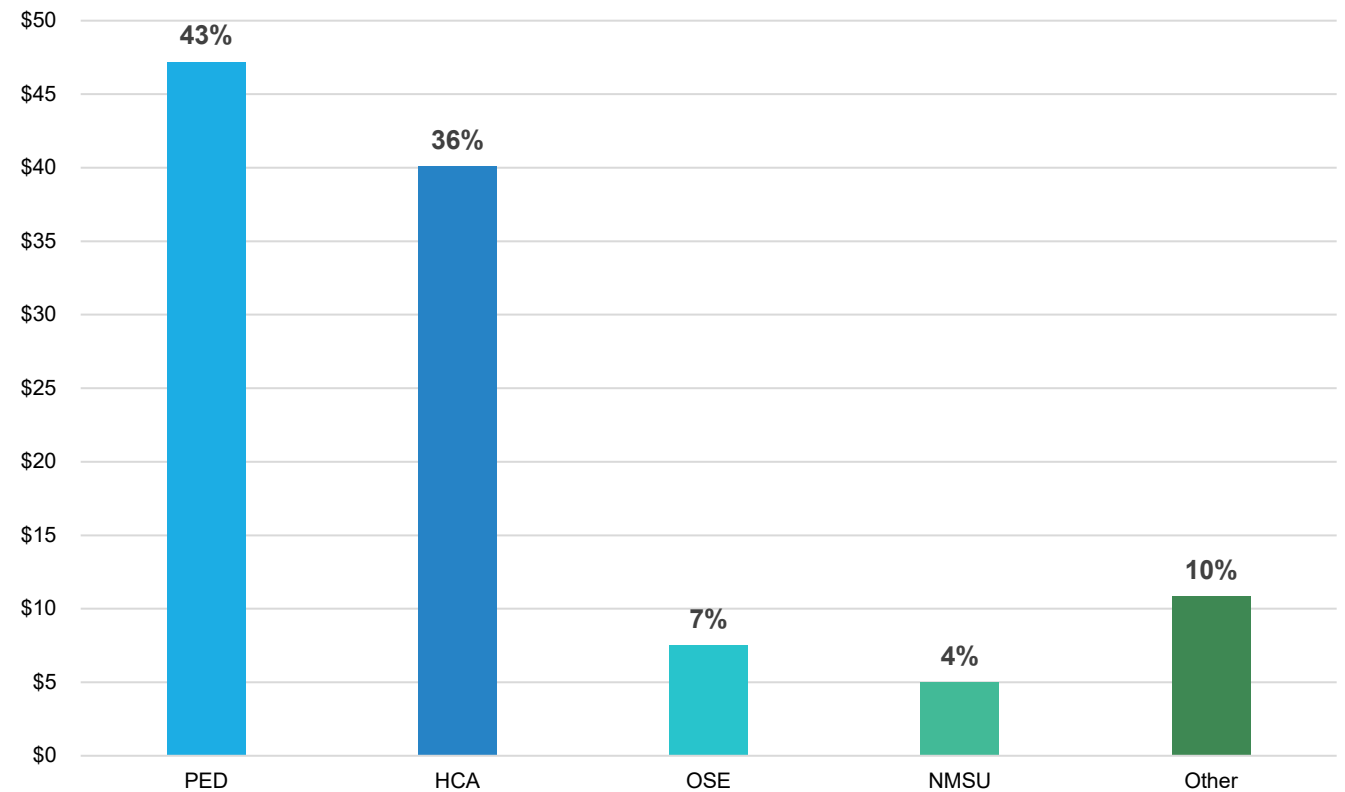
- NM invested over \$111 million in general fund revenue for food security in FY26, according to the Department of Finance and Administration's (DFA) Food Initiative Dashboard.
- Three main increases from FY22 → FY24 → FY26, largely attributed to PED's expansion of school meals and food initiative programs.



# State Agency Spending

- The Public Education Department (PED) oversees the Universal School Meals program.
- The Health Care Authority (HCA) administers the largest food program, the federal Supplemental Nutrition Assistance Program, SNAP (formerly food stamps).

Budget Funding by Agency FY26 (in millions)



Note: Other includes NMDA, EDD, ECECD, HED, ALTSD, DOH, DFA





# GRO Funding

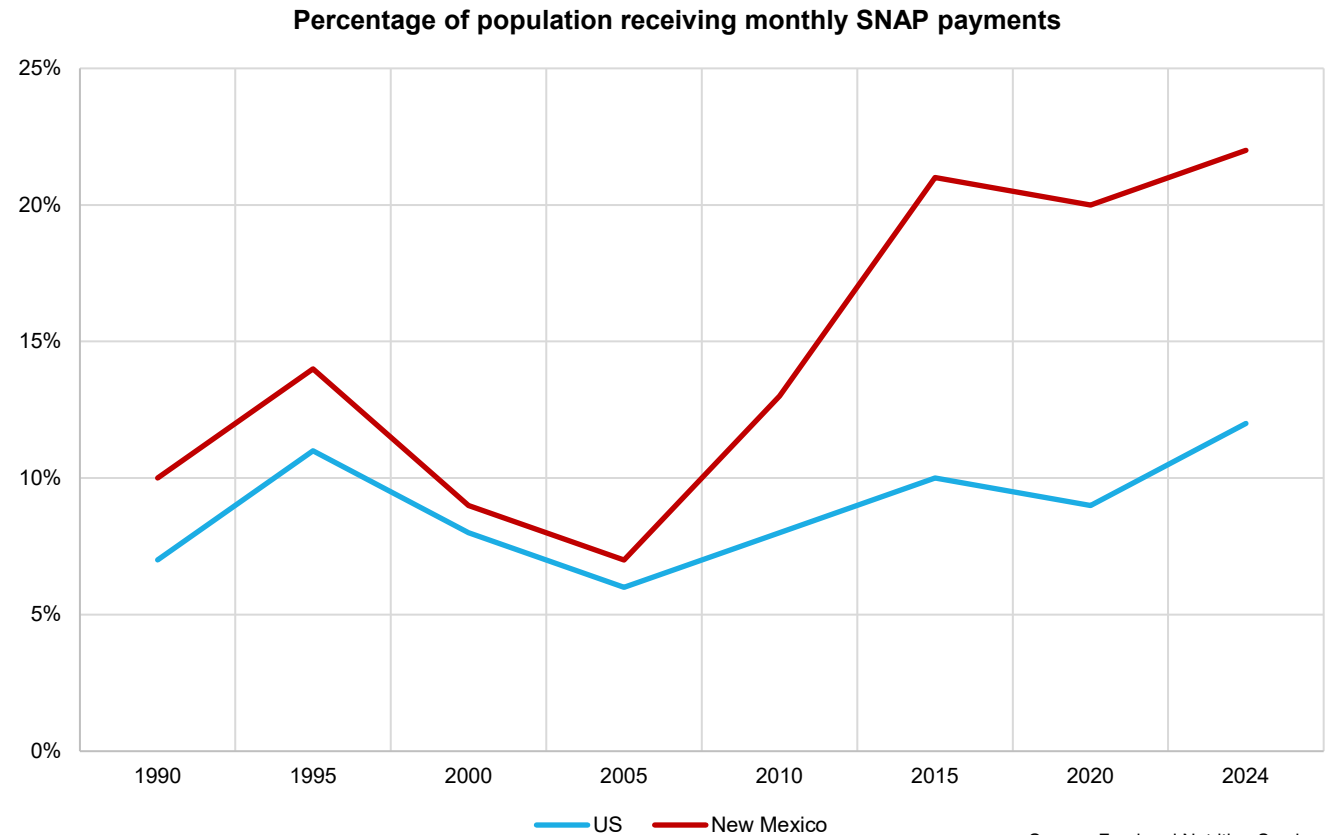
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- 2025 Legislature appropriated Government Results and Opportunity Program (GRO) funding totaling \$30 million from FY26-FY28 to support food banks statewide and ensure access to nutritious food by expanding capacity and purchasing food.
- For FY26, HCA and DFA approved \$5 million for food purchases and \$5 million for infrastructure, including establishing a centralized hub warehouse in Rio Arriba County and purchasing mobile food trailers.
- Performance indicators include number of households served and amount spent on food.



# NM SNAP Participants

- There were about 459,500 monthly SNAP recipients during August 2025. That is 21.5% of the state's population, according to federal Food and Nutrition Service (FNS) data.
- In FY24, nationally, New Mexico ranked 2nd out of 51 based on the share of its population receiving SNAP benefits.



# Federal Budget Reconciliation – SNAP Timeline

**Timeline -- Federal Reconciliation SNAP Changes**

State Fiscal Year	SFY 25	SFY26	SFY27	SFY28	SFY29	SFY30	SFY31	SFY32	SFY33	SFY34
Federal Fiscal Year	FFY25	FFY26	FFY27	FFY28	FFY29	FFY30	FFY31	FFY32	FFY33	FFY34
Calendar Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Month	J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D									
State Match Requirement				Begins in October 2027						
State Match Requirement Delayed Implementation					If Payment Error Rate is Too High Begins in FFY29					
State Match Requirement Delayed Implementation						If Payment Error Rate Continues to Be High Begins FFY30				
Administrative Match Reduction			Federal Share for Administrative Expenses Reduces from 50 Percent to 25 Percent							



# SNAP Changes in Reconciliation Bill per HCA

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- HCA reported new requirement for states to share a portion of the cost of SNAP benefits (currently financed with 100% federal funds) based on their Payment Error Rates (PERs).
  - States with especially high PERs get a delay before having to pay the cost-share (FY30 at the latest for NM)
- Reduced federal funding to administer SNAP, changing from 50:50 state/federal funding ratio to 75% state/25% federal starting FY27.
- Resetting the formula for benefit amounts, reducing the maximum a household can qualify for starting 10/1/25.
- Additional work requirements for SNAP households and stricter enforcement of existing work requirements starting 1/1/26.
- Eligibility reductions through how benefits are calculated starting 10/1/25.
- Narrowing SNAP eligibility for non-citizens starting 10/1/25.
- Narrowing SNAP eligibility for non-citizens starting 10/1/25.



# SNAP Error History

Timeline – NM SNAP Payment Error Rates

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
NM Error Rate	4.3%	3.7%	4.5%	6.2%	Not Available	Not Available	6.9%	8.7%	9.3%	Not Available	Not Available	12.4%	14.4%	14.6%
US Error Rate	3.8%	3.4%	3.2%	3.7%	Not Available	Not Available	6.3%	6.8%	7.4%	Not Available	Not Available	11.5%	11.7%	10.9%

Source: USDA

- In 2013, New Mexico managed about 200 thousand SNAP cases at \$286 per case with a payment error rate of 4.5 percent, well below the national average.
- By 2025, caseloads had grown to about 250 thousand at \$325 per case, while the most recent error rate reached 14.6 percent (FY24), despite administrative spending per case remaining flat at about \$20.
- LFC flagged rising error rates as early as 2016, and in 2025 the state reported caseloads down 3.5 percent from the prior year while costs increased by 9 percent.



# Proposed SNAP Changes

- Current law: feds pay 100 percent for benefits and 50 percent for the administration of the program
- Would institute a new state matching requirement based on state payment error rates beginning in FFY28
  - Requires a state match if error rates are 6 percent or higher and ramps up the match requirement from there
  - Includes a delayed implementation clause which would likely apply to New Mexico for 2029 and 2030

Projected Cost of SNAP Senate Reconciliation Changes								
If the State's Error Rate is Equal to...	< 6% Error		6-<8% Error		8-<10%Error		>10% Error	
	0%		5%		10%		15%	
Then the Required State Matching Rate is...	State	Federal	State	Federal	State	Federal	State	Federal
Then the State/Federal Matching Funds Requirement for SNAP Would be...	\$0	\$1,155,034	\$57,752	\$1,097,283	\$115,503	\$1,039,531	\$173,255	\$981,779
Sun Bucks	\$0	\$32,592	\$1,630	\$30,962	\$3,259	\$29,333	\$4,889	\$27,703

Source: LFC analysis of SHARE



# Other Proposed SNAP Changes

- The changes would
  - Decrease the federal matching rate for administrative costs from 50 percent to 25 percent starting in FFY27
  - Eliminate funding for SNAP nutrition education
  - Change current work requirements by increasing the age of able-bodied adults without dependents from 54 to 64 years
  - The bill would change the definition of dependent child from under 18 years of age to over the age of 10
  - Requires counties to have a 10 percent unemployment rate or higher for the county to receive a waiver from work requirements

Estimate of other SNAP Changes				
	Current Law		New Administrative Share	
	State	Federal	State	Federal
Change Administrative Matching Rate from 50/50 to 75				
State 25 Federal	\$37,867	\$37,867	\$56,800	\$18,933
Eliminate SNAP Nutrition Education	(\$3,660.2)			

Source: LFC Files and HCA



# Summary of SNAP Potential Liabilities

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- LFC staff reported to the Federal Infrastructure Funds and Stability Committee:
  - Beginning in FY27, the state would pick up 75% of SNAP administrative expense at a state cost of approximately \$18.9 million annually.
  - In FY29, the state cost to fund the current federal share of SNAP benefits is estimated at up to \$200 million.
  - The projected cost to implement 100% state-funded SNAP for newly ineligible clients is estimated at \$109 million in FY27, \$114 million in FY28, and \$120 million in FY29.
- HCA reports an estimated 16,220 New Mexicans could lose SNAP benefits due to their immigration status.
- HCA states about 55,750 New Mexicans receiving SNAP will be newly subject to work requirements, with 20,070 New Mexicans likely to lose SNAP benefits due to work requirements.
- HCA reports approximately 20,077 New Mexicans could see a reduction in SNAP benefits due changes in deduction allowances.





# Food Security Summary

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- New Mexico performed poorly on food insecurity as of FY23.
- The state has made significant recent investments to address food security in New Mexico and the outcomes remain to be known.
- Looming changes in federal funding and the roll-out of new federal rules could have a significant impact on food security in New Mexico.
- Federal reconciliation brings new risks associated with SNAP performance error rates but the state has had low SNAP error rates in the past.





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QUESTIONS?

THANK YOU!

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