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FISCAL IMPACT REPORT

ORIGINAL DATE 3/13/2007

SPONSOR Harrison LAST UPDATED 3/15/2007 HM 87/aHCPAC

SHORT TITLE Trans Fat Content and Guidelines SB _____

ANALYST Schuss

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Unknown	Unknown	Unknown	Non- Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Did Not Respond

Department of Environment (DOE)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of HCPAC Amendment

The amendment proposed by the House Consumer and Public Affairs Committee adds that the Environmental Improvement Board is requested to *join with the New Mexico Restaurant Association* to conduct this study.

Synopsis of Original Bill

House Memorial 87 requests that the Environmental Improvement Board study ways to identify the trans fat content in restaurant food and convey this information to customers and to develop guidelines for use of trans fat.

FISCAL IMPLICATIONS

House Memorial 87 contains no appropriation to conduct the requested study. There is an implied cost to the general fund to conduct this study.

The Environmental Improvement Board is also requested to convey their findings to customers, and develop workable guidelines for the restaurant industry on ridding foods of trans fat and on recommended limits of trans fat content. These are also potential costs to the general fund.

SIGNIFICANT ISSUES

House Memorial 87 states that trans fat is a chemically created fat that is unhealthy for human consumption and trans fat consumption should be kept as low as possible, according to the 2005 dietary guidelines for Americans, the American Heart Association, the American Diabetes Association, the World Health Organization and the National Cholesterol Education Program.

According to HM 87, consumption of trans fat raises bad cholesterol levels and lowers good cholesterol levels, causing arteries to become clogged and increasing the risk of developing heart disease and stroke, and is linked to obesity. Heart disease is the number one killer in the nation and New Mexico. The annual death rate for heart disease in New Mexico is one hundred seventy-seven per one hundred thousand people, and at least sixty percent of New Mexico adults are overweight or obese. At least twenty-seven percent of New Mexico high school students and twenty-four percent of children aged two to five are overweight and obesity acquired during childhood and adolescence is likely to persist into adulthood and increase the risk for a number of chronic diseases.

HM 87 states that the Food and Drug Administration now requires food companies to list trans fat content separately on the nutrition panel of all packaged foods, and nutrition labels now list any measurable amount of trans fat in a separate line on the total fat section under saturated fat. Trans fats used in cooking are not as easily assessed as those on packaged food labels and lawmakers in at least thirteen states and numerous cities have enacted or introduced some kind of trans fat legislation. Some restaurant chains have voluntarily eliminated trans fats, as have the Ohio State University campus and the Girl Scouts.

The House of Representatives of the State of New Mexico requests that the Environmental Improvement Board study ways to identify the trans fat content in restaurant food and to convey this information to customers. HM 87 also requests that the Environmental Improvement Board develop workable guidelines for the restaurant industry on ridding foods of trans fat and on recommended limits of trans fat content.

BS/csd