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FISCAL IMPACT REPORT

ORIGINAL DATE 1/21/08

SPONSOR Tripp LAST UPDATED _____ HB 156

SHORT TITLE Farmers' Market Nutrition Enhancement Program SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 49

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
 New Mexico Department of Agriculture (NMDA)
 Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 156 appropriates \$250.0 from the general fund to the Board of Regents of New Mexico State University for the New Mexico Department of Agriculture to support the Farmers' Market Nutrition Enhancement Program.

FISCAL IMPLICATIONS

The appropriation of \$250.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

The PED states that this request was submitted by NMSU and NMDA to the New Mexico Higher Education Department for review. The FY09 NMHED Executive recommendation is continuance of FY08 recurring funding of the Special Projects line item.

NMDA currently administers the \$110,000 recurring funding for the farmers' market nutrition Program. The appropriation in House Bill 156 is in addition to the current recurring funding.

SIGNIFICANT ISSUES

NMDA states that:

- This program provides food coupons to low-income and senior citizens to shop at local farmers' markets.
- The current redemption rate for coupons at local farmers' markets is up to 80% demonstrating a need by consumers and a benefit to local growers.
- Forty-eight percent of program participants had never before been to a farmers' market. This program allows new consumers to purchase local grown nutritious fruits and vegetables.

The HED points out that New Mexico's farmers' markets are located in the following cities and counties: Alamogordo, Albuquerque, Bernalillo, Corrales, Village of Los Ranchos, Questa, Aztec, Belen/Valencia County, Bloomfield, Carlsbad-Eddy County, Cedar Crest, Chaparral, Clayton, Clovis, Dixon, Elephant Butte, Espanola, Farmington, Gallup, Grants, Las Cruces, Las Vegas, Los Alamos, Mesilla, Moriarty, Portales, Ramah, Roswell, San Felipe Pueblo, Santa Fe, Santa Rosa, Socorro, Sunland Park, Taos, Tierra Amarilla, Tucumcari, and Tularosa.

According to the DOH, The U.S. Department of Agriculture (USDA), which has monitored household "food insecurity" rates since 1995, issued its 2005 findings for the nation and individual states. New Mexico is first in the nation in terms of households experiencing "food insecurity," and ranks second in terms of "very low food security," which was previously defined by USDA as "food insecurity with hunger." These new rankings represent a fall for New Mexico in both categories. In 2004, New Mexico ranked #2 for "food insecurity," and #4 for "very low food security. HB156 complies with the objectives of the 2010 Plan to End Hunger in New Mexico

The funding would support a pilot program to provide 8,100 low income residents and seniors with \$28.00 to purchase locally grown fruits and vegetables at their local farmers' market. This pilot would use the infrastructure of the current Commodity Supplemental Food Program to provide additional fruits and vegetables to seniors already receiving commodities. Promotion and further expansion of New Mexico's farmers' markets would make fresh produce available to participants of the Commodities Supplemental Food Program (CSFP). The majority of those participants are seniors. Increased fresh fruit and vegetable intake is one of the key messages that the Department of Health encourages through the "5- A-Day" and the "Fruits & Veggies – More Matters" programs to help prevent chronic conditions and diseases such as coronary heart disease, some cancers, obesity, and osteoporosis.

DUPLICATION

Senate Bill 49 is an exact duplicate of House Bill 156.