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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/05/08

SPONSOR Campos LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Enhance School Nutrition & NM Farming Economy SM 54

ANALYST Escudero

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB164, SB207, HB156, SB49, SB440, and HB86

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Health (DOH)

Public Education Department (PED)

Higher Education Department (HED)

### SUMMARY

#### Synopsis of Bill

Senate Memorial 54 is committed in turning back the rising tide of poor diet by having additional fresh fruits and vegetables served in school meals to every New Mexico student and to strengthening our farming communities and increasing farmers' income by purchasing fruits and vegetables, when available, from New Mexico farmers.

The following items are specified in SM 54:

- School districts and their respective boards of education and superintendents place great emphasis on, and make a high priority as a matter of educational policy for, the purchase of locally grown foods in their school food programs for the benefit of their students.
- Food service directors in New Mexico school districts in their various locales, with the assistance of the New Mexico Department of Agriculture and Farm to Table, a New Mexico nonprofit entity, seek local farmers who want to supply locally grown foods for school food operations.

- In 2007, the New Mexico Department of Agriculture, in conjunction with Farm to Table, published the New Mexico Farm to School directory, which lists more than 100 New Mexico farmers who are ready, able and willing to supply nutritious and locally grown foods and crops to the school districts of New Mexico.
- Copies of this memorial be transmitted to all New Mexico school districts.

## **FISCAL IMPLICATIONS**

No fiscal impact on PED, HED or DOH.

## **SIGNIFICANT ISSUES**

According to DOH, ample data suggests that consuming the recommended five to nine or more servings a day of fruit and vegetables are likely to provide protection from cardiovascular disease and some cancers, as well as promoting overall good health (Produce for Better Health Foundation, *Health benefits of fruits and vegetables: A scientific overview for professionals*. 2002.)

- Only 18% of NM high school students and 23% of NM adults eat five or more fruit and vegetable servings per day. (2005 NM Youth Risk & Resiliency Survey (YRRS); 2005 NM Behavioral Risk Factor Surveillance System) Fruits and vegetables are satisfying and nutritious foods that promote a healthy weight. The water and fiber in these foods make them naturally low in calories, or energy density, but also make them satisfying to consume
- At least 26% of NM high school students weigh too much (12% obese and more than 14% overweight, based on self-reported 2005 NM Youth Risk & Resiliency survey data). 24% of NM two- to five-year olds who participate in federally funded nutrition programs (i.e., WIC) weigh too much, 11% obese and 13% overweight, based on direct 2005 measurement.
- Although no studies have directly linked consumption of fruits and vegetables to weight loss, many studies have considered fruit and vegetable consumption in the management of chronic diseases while also reporting on weight loss and health maintenance. Many of these studies are included in a recent comprehensive review of intervention studies. The review's authors concluded that significant weight loss can occur when advice to increase intake of fruits and vegetables is coupled with advice to reduce energy intake. (Source: Centers for Disease Control & Prevention, Research to Practice Series, No. 1, *Can eating fruits and vegetables help people to manage their weight?*)

According to HED, school nutrition programs (breakfast and lunch) play an important role in helping to ensure every student starts school ready to learn, because a hungry or undernourished child is less likely to be an eager and attentive student.

- According to Leonard Mirabal, Director of New Mexico's Public Education Student Nutrition Bureau, the states school nutrition programs are located within 211 public, private and Bureau of Indian Affairs schools providing over 212,000 served meals.
- New Mexico ranks first in the country in the number of students participating in school breakfast programs.

- The threat to the future health of New Mexico’s children is increasing due to the percentage of children who are obese or overweight (24%) is growing.
- Obesity and diet-related diseases cost New Mexicans \$324,000,000 annually.

The National School Lunch Program (NSLP) provides a low-cost meal for students, and is intended to provide one-third of the Recommended Dietary Allowances. School meals must also be planned to meet the Dietary Guidelines for Americans and specified nutrient standards as well as the established meal pattern. Federal reimbursement is provided for all complete meals served and is based on the student's eligibility status. The program is funded locally by student payments and/or school contributions. The program is available to public and private non-profit schools, residential child care, and other eligible institutions such as Bureau of Indian Affairs Schools, (BIA).

The School Breakfast Program (SBP) was established to provide nutritious breakfasts to children who come to school hungry and experience difficulty with both physical and academic achievement. Local Education Authorities (LEAs) choosing to participate in the breakfast program must provide free and reduced-price breakfasts to those who qualify. Schools must provide breakfasts that comply with the established meal pattern. The program is available to public and private non-profit schools, residential child care, and other eligible institutions such as BIA schools.

- According to the New Mexico Department of Agriculture, New Mexico has seen increases in the number of farmers markets from 34 to 45 for the time period of year 2000 to 2007.
- The vitality of small and medium-sized farms across New Mexico has a positive impact on local economies. This initiative would encourage investment in local markets and have an additional positive impact on rural economic development.

As stated by PED, the Human Services Department’s strategic plan and the Governor’s performance and accountability contract, “A Healthy New Mexico,” seek to reduce child obesity and diabetes in all populations.

- If New Mexico does not reverse these risks by improving the diets of its young people, it is in danger of raising the first generation of American children with a lower life expectancy than their parents.
- Healthy eating habits are formed during childhood and decrease the risk of chronic diseases.
- Approximately 65 percent of New Mexico school lunch program participants come from low-income households, making school nutrition programs a logical place to promote healthier eating habits.
- Currently, most schools in New Mexico spend about 8-11 cents a serving for either canned or fresh vegetables.
- Finding suitable vendors or suppliers who will give schools a reliable supply of produce is a challenge for schools. Many purchase fruits and vegetables from food wholesalers or brokers.
- Produce must be graded and inspected according to existing local and state guidelines.

- School Nutrition Programs have provided, through the National School Lunch and School Breakfast Programs, millions of healthy and nutritious meals to children across New Mexico for more than 60 years.

## **PERFORMANCE IMPLICATIONS**

SM54 requests school districts and their respective boards of education and superintendents to emphasize and prioritize the purchase of locally grown foods in their school food programs for the health and educational benefit of their students.

SM54 encourages the food service directors of New Mexico school districts to seek local farmers who want to supply locally grown foods for school food programs.

As stated by DOH, SM54 is consistent with the 2008 DOH Strategic Plan, Program Area 2; TASK 4: Reduce Child and Adolescent Obesity and Diabetes in All Populations. It also supports a long-term objective of *The NM Plan to Promote Healthier Weight*: By 2015, increase the proportion of New Mexicans who consume five or more servings of fruits and vegetables per day.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

As stated by PED, relates to HB 86, Study Increased Access to Fresh Foods, which appropriates \$25.0 from the general fund to the Board of Regents of New Mexico State University (NMSU) to conduct a study to develop alternative strategies to increase access by New Mexicans to sources of fresh foods; to HB164, Local Fruits and Vegetables in School Lunches, which requires NMSU to purchase New Mexico-grown fresh fruits and vegetables and to administer a program ensuring that the fresh fruits and vegetables are delivered to school lunch programs statewide; and HB180, Access to Healthy Foods Act, which creates the healthy Food Initiatives Board, defines board duties and creates the Healthy Food Initiatives Fund.

## **OTHER SUBSTANTIVE ISSUES**

As stated by HED, the United States Department of Agriculture's Food and Nutrition Service, administers a Fresh Fruit and Vegetable Program (FFVP), which operates at several schools in New Mexico. The goal of the FFVP is to:

- Create healthier school environments by providing healthier food choices.
- Expand the variety of fruits and vegetables children experience.
- Increase children's fruit and vegetable consumption.
- Make a difference in children's diets to impact their present and future health.

As stated by PED, the United States Department of Agriculture (USDA) has a program, entitled the USDA Fresh Fruit Vegetables Program (FFVP). In the 2006-2007 school year, 25 schools participated in the program in the state. The schools participating in USDA's FFVP consider the program to be very successful. The funding for the FFVP is \$1 million in 25 schools; also, additional funds were provided to the permanent program in the Zuni Indian Tribal Organization (ITO) in New Mexico. The funds provided fresh fruit, dried fruits and vegetables free to children in 18 elementary and seven secondary schools, including seven schools in the Zuni ITO in New Mexico. All schools purchase fruits and vegetables from food wholesalers or brokers.

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The 2007 Legislature allocated \$85.0 to Albuquerque Valley schools, which purchased New Mexico apples, melons and carrots for 6,000 children.

PME/bb