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FISCAL IMPACT REPORT

SPONSOR Stefanics ORIGINAL DATE 1/24/2022
 LAST UPDATED _____ HB _____
 SHORT TITLE State Food Banks SB 65
 ANALYST Chilton

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	\$12,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 65, State Food Banks, appropriates \$12 million from the general fund to the Human Services Department for the purpose of providing additional food purchase and delivery to the state’s food banks.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature, and the funds would become available in FY23 “and subsequent fiscal years.”

FISCAL IMPLICATIONS

The appropriation of \$12 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of each fiscal year shall not revert to the general fund.

SIGNIFICANT ISSUES

The largest food bank in New Mexico, which interacts with affiliates throughout the state, is Roadrunner Food Bank in Albuquerque. It states “As a food distribution hub, we provide food to

hundreds of affiliated member partners around the state, including food pantries, soup kitchens, shelters, and regional food banks. We also distribute food through specialized programs helping children, families and seniors at schools, low-income senior housing sites, and senior centers and with and through health care partnerships. Every week 70,000 hungry children, seniors and families are reached through this statewide hunger relief network. We are working together with our partners, volunteers and contributors to end food insecurity and hunger in New Mexico.”

According to HSD, “Based on estimated food donation and estimated USDA commodities along with food purchases from other sources, the New Mexico food banks estimate a food shortage of approximately 6.04 million pounds of food in SFY2021. New Mexico is ranked 5th in the nation for food insecurity by Feeding America’s most recent Map the Meal Gap 2020 study. The study estimates the number of food insecure individuals will grow from 315,900 individuals in 2019 to 372,490 individuals in 2020 as a result of the Covid-19 pandemic. New data on the amount of USDA food is not yet available for FY22, however, other food that was offered to New Mexico in FY19 and FY20 in the form of Trade Mitigation is no longer available.”

OTHER SUBSTANTIVE ISSUES

SB65, as proposed, appropriates up to \$12 million in funding to HSD to purchase food for distribution to the New Mexico Food Banks statewide. HSD does not have the mechanisms in place to purchase foods outside of those funded by the United States Department of Agriculture. HSD’s practice is to pass funding to the New Mexico Food Banks for the purchase of fresh fruits and vegetables and supplemental funding for homeless feeding sites.

TECHNICAL ISSUES

HSD suggests the following amendments:

- Amend SB65 to allow HSD to provide funding to the New Mexico Food Banks for the purchase of non-perishable food items.
- Lines 11 – 12: change part of the bill’s title to state “making an appropriation to the HSD to provide emergency food banks statewide with funding to purchase nonperishable food items.
- Lines 18 – 19: Change to read “and subsequent fiscal years for providing funds for additional food purchases and distribution delivery to state regional emergency feeding organizations [and] food banks.”