Sanchez

#### AGENCY BILL ANALYSIS 2024 REGULAR SESSION

### WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

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{*Analysis must be uploaded as a PDF*}

#### **SECTION I: GENERAL INFORMATION**

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

| Check all that apply:        |                                    | <b>Date</b> Jan 23, 2024          |  |  |  |
|------------------------------|------------------------------------|-----------------------------------|--|--|--|
| Original <u>x</u> Amendment  |                                    | Bill No: HB162                    |  |  |  |
| CorrectionSubstitute         |                                    |                                   |  |  |  |
| <b>Sponsor:</b> G. Armstrong | Agency Name<br>and Code<br>Number: | NMED-667                          |  |  |  |
| Meat Inspection Act          | Person Writing                     |                                   |  |  |  |
|                              | Analysis:                          | Lauren Reichelt                   |  |  |  |
| Short                        | (505) 660                          | <b>Email</b> Lauren.Reichelt@env. |  |  |  |
| Title:                       | <b>Phone:</b> 8638                 | : nm.gov                          |  |  |  |

### **SECTION II: FISCAL IMPACT**

### **ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

|      | FY24 | FY25    | FY26    | 3 Year<br>Total Cost | Recurring or<br>Nonrecurring | Fund<br>Affected            |
|------|------|---------|---------|----------------------|------------------------------|-----------------------------|
| Tota |      | \$161.4 | \$107.6 | \$269                | Recurring                    | NMED<br>Operating<br>Budget |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Duplicates/Relates to Appropriation in the General Appropriation Act

#### **SECTION III: NARRATIVE**

### **BILL SUMMARY**

<u>Synopsis:</u> Senate Bill (HB162) enacts the Meat Inspection Act and authorizes the New Mexico Livestock Board (NMLB) to conduct meat inspections to ensure safe and quality meat for human consumption. In addition, HB162 also creates the Office of Meat and Poultry Inspection Director and establishes requirements for the NMLB to provide inspection stamps and establishment numbers for approved establishments. The bill directs the NMLB to request advice and consultation from the Department of Environment (NMED) and the Department of Health (DOH) on matters related to potability of water, sewage systems and other sanitary conditions of slaughtering and meat processing establishments that might endanger public health.

# FISCAL IMPLICATIONS

HB162 outlines a framework for the NMLB to establish a meat inspection program that will enforce and carryout the provisions of the Meat Inspection Act. NMED will consult and advise the NMLB on environmental and sanitary conditions of establishments engaged in the slaughter of meat and poultry or the preparation of meat products.

NMED will require 1.5 FTE in inspector, administrative and Attorney roles to provide the necessary support to NMLB and to respond to cases requiring investigation and enforcement. NMED is estimating \$161,400 for FY25. Once the authority is established by the NMLB and the agencies address jurisdictional roles, the projected FTE required would be reduced to 1.0 FTE, \$107,600, in FY26 and subsequent years.

## SIGNIFICANT ISSUES

HB162 requires the NMLB to request advice and consultation from the Department of Environment (NMED) on matters related to potability of water, sewage systems and other sanitary conditions of slaughtering and meat processing establishments that might endanger public health. NMLB can also advise NMED if meat establishments fail to meet minimum standards of the department. HB162 does not provide funding to NMED to address issues related to water potability or sewerage systems for establishments that will be under the NMLB meat inspection program. Currently NMED's food rule, 7.6.2 NMAC, does not address food safety standards for slaughter facilities.

## PERFORMANCE IMPLICATIONS

NMED does not have the staff that would fulfill the requirements of this bill if passed by the Legislature and signed by the Governor unless a recurring general fund appropriation is included.

## ADMINISTRATIVE IMPLICATIONS

## CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

NMED, through its food rule, 7.6.2 NMAC, requires a food manufacturer permit issued by the department for facilities producing a food product containing meat. HB162 gives the authority to the NMLB to inspect and permit food establishments processing meat products.

### **TECHNICAL ISSUES**

Based on the definition of official establishment in HB162, NMLB and NMED will need to work to establish clear jurisdictional roles of both agencies regarding the further processing or manufacturing of meat products.

## **OTHER SUBSTANTIVE ISSUES**

## ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

# AMENDMENTS