

LFC Requester:	Kelly Klundt
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

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:
Original **Amendment**
Correction **Substitute**

Date 1/18/24
Bill No: SB46

Sponsor: Sen. Stefanics
Short Food Bank Appropriation
Title: _____

Agency Name and Code HSD-630
Number: _____
Person Writing Noelle Sanchez
Phone: 505-841-2602 **Email** noellea.sanchez@hsd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$25,000		Non- Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0	\$0	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$32,079 GF \$66,021 FF	\$32,079 GF \$66,021 FF	\$32,079GF \$66,021 FF	\$96,237 GF \$198,063FF	Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None
 Duplicates/Relates to Appropriation in the General Appropriation Act: Relates to HB2

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 46 (SB46) appropriates \$25,000,000 from the general fund to the Health Care Authority (HCA) to fund state food banks. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SB46 appropriates \$25,000.0 to the HCA in FY25 to provide funding to state food banks. The non-reverting funds will allow the HCA and state food banks to maximize use of the funds in coordination with federal food assistance programs.

Currently, HB2 appropriates funds to the HCA base budget that are passed on to food banks for fresh fruits and vegetables and supplement funding for homeless feeding sites. In FY24, HCA was appropriated \$1.1M for fresh fruits and vegetables and \$220,000 for homeless meals out the of general fund. In addition, through the Governor’s hunger initiative, HCA was given \$5M in FY24 that was passed down to food banks for the purchase of perishable, non-perishable and local food.

SB46 does not appropriate any additional funds to the HCA to support an FTE to contract, procure and administer funds to the state foods banks.

Implementation of SB46 would require an allocation of funds for Staff-(1) FTE pay band 65 to administer funding in accordance with state procurement laws.

# of FTE	Division	Description	Range	Hourly Rate	Annual Salaries	Total with Benefits	GF Need
1	ISD	SOC/COM SV COORD-O	65	\$29.12	\$60,800	\$98,100	\$32,079

SIGNIFICANT ISSUES

HCA does not have the mechanisms in place to purchase foods outside of those funded by the

United States Department of Agriculture. HCA's practice is to pass funding to the New Mexico Food Banks for the purchase of perishable and non-perishable foods, fresh fruits and vegetables and supplemental funding for homeless feeding sites.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

As noted in the Fiscal Implications, an additional FTE Pay band 65 would be required to administer funding in accordance with state procurement laws.

No IT impact.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

New Mexico food banks estimate a food shortage of approximately 21 million pounds of food needed. New Mexico food banks distributed 4.2 million pounds with the \$5 million provided in SFY23. New Mexico is *5th* in the nation for food insecurity by Feeding America's most recent *Map the Meal Gap 2020 Study*. Estimated food donations decreased by more than 50 percent and USDA commodities have decreased over the past 3 years. USDA Commodities dropped from \$25 million in 2020 to \$14 million in 2023 and \$10 million in 2024. We estimate receiving \$8 million or less in 2025. Inflation has increased food costs by 22%.

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

None