

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

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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}

Date 1/22/2026 **Check all that apply:**
Prepared: _____
Bill HB 101 **Original** **Correct** _____
Number: _____ **Amend** _____ **Substit** _____
ment _____ **ute** _____

Spons Joanne J. Ferry,
or: _____

Agency
Name and
Code
Number: NMDA - 199

Short Regional Farm to
Title: Food Bank Funding

Person Writing
Analysis: Jeff Witte
Pho _____ **Ema** _____
ne: 575-294-3817 **il:** _____

SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
\$200,000.0	\$0.00	Nonrecurring	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected

Total	\$13.0	\$26.0	\$26.0	\$65.0	Nonrecurring	General
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(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

Synopsis:

This appropriation allocates two hundred million dollars (\$200,000.0) from the state general fund to the board of regents of New Mexico state university for use by the New Mexico department of agriculture to support the regional farm to food bank program beginning in fiscal year 2026 and continuing in subsequent years. The funds are non-reverting, allowing unspent balances to remain available for future use. An emergency clause is included to ensure the act takes effect immediately in order to protect public peace, health, and safety.

FISCAL IMPLICATIONS

Existing New Mexico department of agriculture (NMDA) operational resources will be utilized to support the regional farm to food bank program. The estimated annual fiscal impact to NMDA to support the regional farm to food bank program is twenty-six thousand dollars (\$26.0) per fiscal year, representing 0.40 of a full-time equivalent (NMDA Program Specialist) employee salary.

SIGNIFICANT ISSUES

The regional farm to food bank program strengthens New Mexico's local and regional food systems by sourcing directly from in-state producers, with a focus on small to mid-sized farmers. All purchases will be made within New Mexico, ensuring that investments remain local while expanding food access for underserved communities. The program prioritizes the distribution of high-quality, diverse, culturally relevant, and nutritious foods to regions where such options are limited. In doing so, the program supports producer viability and community health while reinforcing the resilience of New Mexico's regional food supply chain.

The regional farm to food bank program was established by the New Mexico department of agriculture in 2022 through the USDA LFPA cooperative agreement. Between 2023 and 2025, the program contributed \$4.6 million to New Mexico's agricultural economy through the purchase of locally produced foods. Of this total, 43 percent was spent on meat products, including beef, pork, and lamb; 42 percent was spent on fruits and vegetables; and the remaining 15 percent was spent on other healthy food products.

82 percent of all food purchases were sourced from small to mid-sized producers and distributed through more than 250 food distribution sites across the state.

New Mexico agriculture is defined by its small and mid-size farms and ranches. Of nearly 21,000 agricultural operations in the state, the vast majority are classified by USDA as small or very small, family-owned farms. While the average farm size appears large due to the prevalence of extensive rangeland (approximately 1,865 acres), more than half of all farms, about 53 percent are fewer than 49 acres and operate with limited production scale and narrow margins. Approximately 95 percent of farms and ranches are family owned, underscoring the importance of agriculture to rural livelihoods and community stability across the state.

Small and mid-size producers play a critical role in New Mexico's \$3.7 billion agricultural economy, yet they face persistent challenges related to market access, labor availability, climate variability, and rising input costs.

Many producers rely on off-farm income to remain financially viable, and the aging producer population raises growing concerns about succession and long-term sustainability. Despite these challenges, local producers remain central to the state's food system and rural economy.

Programs such as the regional farm to food bank program help create reliable, in-state markets for small and mid-size farmers and ranchers by stabilizing farm income, strengthening regional supply chains, and improving food access for communities statewide. Strategic investments that connect local producers with institutional and emergency food buyers support both producer viability and food security, reinforcing the resilience of New Mexico's agricultural and food systems.

PERFORMANCE IMPLICATIONS

HB 101 would help improve performance of the state food and hunger programs (i.e. New Mexico grown).

ADMINISTRATIVE IMPLICATIONS

None to NMDA. Existing administrative resources utilized for the USDA LFPA program would be reallocated to effectively support a state-level regional farm to food bank program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Funding for the state regional farm to food bank program would not be available to purchase foods produced within New Mexico. As a result, the program would be unable to support local producers through the procurement and distribution of locally grown foods and beverages that are healthy, nutritious, unique to the state, and responsive to community needs. Local foods would not be made available to state feeding programs, including food banks. In addition, these funds would not support efforts to increase local food consumption or to build and expand economic opportunities for New Mexico producers, nor would they contribute to strengthening food and agricultural supply chain resiliency.

AMENDMENTS

Of note, NMDA was informed that an amendment is forthcoming to change the appropriation amount from the general fund from \$200,000.00 to \$2,000.00.