

LFC Requester:	
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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(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 Prepared: 1-23-2026 *Check all that apply:*
Bill Number: SB47 Original Correction
 Amendment Substitute

Sponsor: <u>Pete Campos</u>	Agency Name and Code Number: <u>Economic Development Department 41900</u>
Short Title: <u>The Food Recovery and Composting Act</u>	Person Writing: <u>Erin Ortigoza</u>
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(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						

(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:

Senate Bill 47 proposes the establishment of the "food recovery and composting program" to be housed in the Environment Department. This program will provide grants, education and outreach to advance food recovery and composting which should result in organic waste reduction across the State. The Bill creates the "food recovery and composting fund" as a nonreverting fund in the state treasury, from which, beginning January 1, 2027, the Environment Department may award grants to an eligible entities advancing food recovery and composting efforts. SB 47 also creates the "food recovery and composting advisory group" which will be comprised of no more than 15 public and private subject matter experts to advise the Environment Department regarding:

- grant application guidelines, deadlines and reporting requirements for eligible entities;
- recommendations for funding grant applications to ensure a balanced selection process of applicants from urban and rural areas; and
- development of voluntary and incentive-based programming to advance food recovery, composting and organic waste reduction initiatives

The Bill also establishes a surcharge which is imposed on each solid waste facility operating within the State, in accordance with the Tax Administration Act. Net receipts attributable to the food recovery and composting surcharge shall be distributed to the food recovery and composting fund, effective July 1, 2026.

FISCAL IMPLICATIONS

There will be no fiscal implications to NMEDDs budget.

SIGNIFICANT ISSUES

Funding pilot programs and researching the benefits of food recovery and composting, as well as providing grants to such eligible entities as described in SB 47 is an important systemic investment in transforming logistical, environmental and social challenges into critical resources.

Nationally, food waste contributes to approximately 24% of municipal solid waste with roughly one third of household waste in New Mexico consisting of organic matter including food and yard waste. This waste stream is a major contributor to methane emissions from landfills and constitutes an underutilized resource for soil rehabilitation efforts. Organic and food waste in landfills contribute to significant environmental impacts, and focused efforts on diverting these waste streams from landfills not only provides environmental and public health benefits but also mitigates the long-term costs associated with managing methane emissions.

With New Mexico's ongoing focus on increasing food security for all residents, food recovery programs provide critical food rescue initiatives that redirect important sources of perishable

nutritious staple foods to people in need. By increasing access to healthier fresh food, notable public health benefits are likely to be realized through reduced rates of diet related illnesses which may also lead to reduced health care costs. Continued research and investment into the best practices in the area of food recovery can support innovative local interventions as well as larger scale coordinated approaches to increase the effective recovery of food from its current levels of our State's waste stream.

Food recovery and composting initiatives already underway generate important economic impacts by fostering circular economies, creating jobs and local revenue streams, reducing waste management costs and improving access to soil inputs to boost agricultural productivity.

The food recovery and composting program and the associated fund provides an important opportunity for targeted research, methodologies and initiatives to generate critical data. This data can be used to continue addressing food security, mitigating environmental impacts, boosting local economies while balancing the realities of needed investment in facility capacity and associated transportation and logistical expenses associated with the implementation of these services.

PERFORMANCE IMPLICATIONS

The Economic Development Dept will allocate FTE time to serve as a representative on the food recovery and composting advisory group.

ADMINISTRATIVE IMPLICATIONS

There would be no admin implications for NMEDD

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Without this bill, this robust focus on targeted, coordinated statewide food recovery and composting initiatives won't be possible. The state would have limited opportunity to test or evaluate the impacts of more comprehensive systemic impacts of such programs as it relates to increasing food security, mitigating environmental impacts, and boosting local economies.

AMENDMENTS