

New Mexico's Agrarian Economies

**Economic and Rural Development and Policy Committee
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New Mexico Agriculture—Industry at a Glance

\$3.2 Billion

New Mexico crop and livestock product sales in 2021 totaled \$3.17 billion.

Total cash receipts from livestock products were \$2.41 billion.

Value of ag production and processing represented 2.1% of total state GDP.

24,700 Farms

There are 24,700 farms, a 1% decrease from the 2017 census.

95% of all New Mexico farms and ranches are family owned.

Land

Land in farms, 40 million acres.

Top crops in acres (Harvested) are:

- Hay (No. 1 at 225K)
- Corn, Sileage (No. 2 at 80k acres)
- Wheat, grain (No. 3 at 75k)
- Pecans (No. 4 at 46K) and, Corn, grain (No. 5 at 39K)

Cattle Country

Cattle and calves totaled 1.3 million head as of January 1, 2023; down 6% from 2021.

Beef cow inventory was 2.2% lower than the previous year at 453,000 head.

Gross income from cattle and calves totaled \$1.07 billion in 2021, up from the previous year.

Ranking in U.S.

New Mexico's top ag production rankings in the U.S.:

- Chile (No. 1)
- Pecans (No. 2)
- Cheese (No. 4)
- Onions (No. 5)
- Milk (No. 9)

Agriculture is rated the second-most favorable industry in the state, according to a survey by The Garrity Group

Source: NM Agricultural Statistics and the National Agricultural Statistics Service.

New Mexico Economic Impact



Output \$40.2 Billion



257,697 jobs



\$11.5 billion



\$4.1 billion

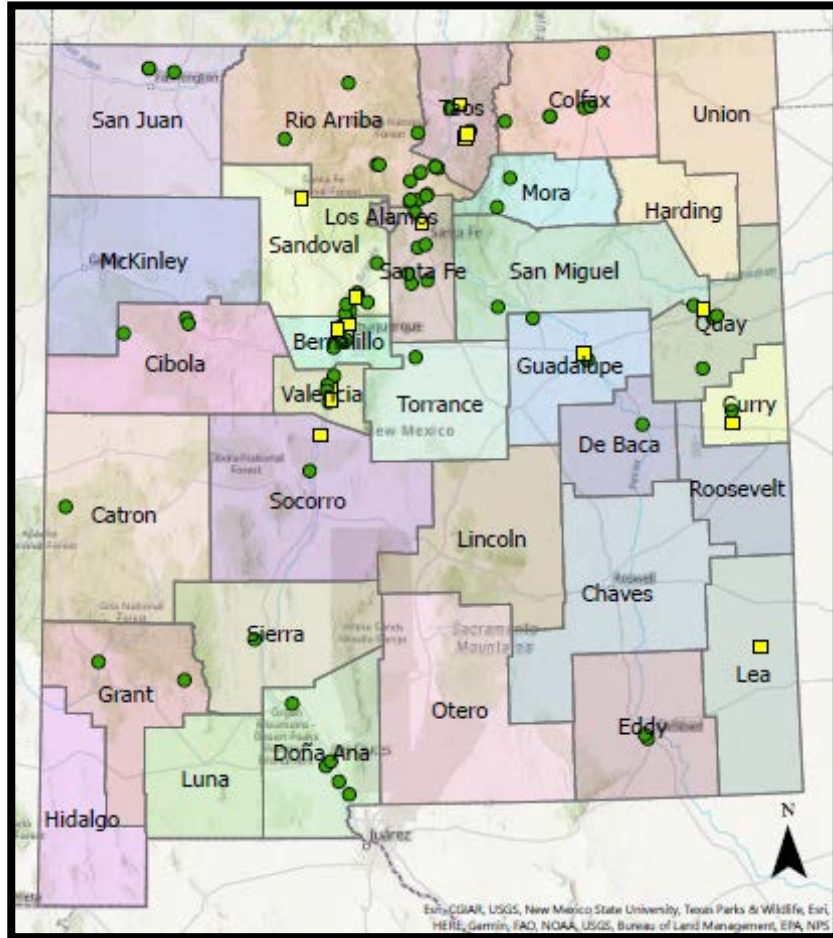


Exports

\$495 million

Jobs/Wage/Tax Data Source: feedingtheeconomy.com; Exports Data Source: 2021 NM Ag Statistics

On-the-ground projects funded through NMDA's Healthy Soil Program, FY20-23



Projects shown (at left) by applicant/grantee type:

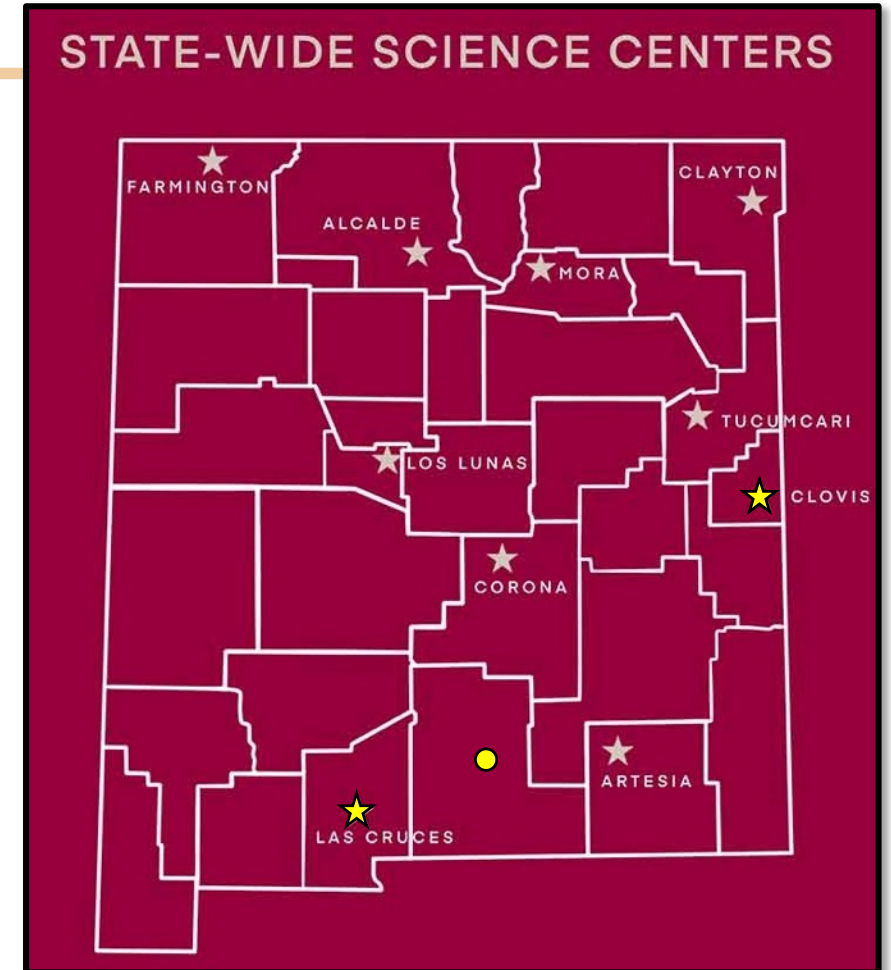
- Eligible Entities** (pueblos, tribes, and nations; acequias; land grants; soil and water conservation districts (SWCDs); NMSU—Cooperative Extension Service; and other **local governmental entities that manage/work on land**)

- Individual Applicants** (farmers, ranchers, and other land managers whose projects are **sponsored by their SWCD or tribal nation**)

Fiscal Year	Grant Applications for On-the-Ground Projects		Approx. Dollars (in thousands)	
	Received	Selected	Requested	Awarded
2020 (pilot)	84	19	\$1,370.0	\$178.0
2021	49	26	\$513.0	\$237.0
2022	49	17	\$404.0	\$185.0
2023	77	50	\$1,405.5	\$1,092.8

Ongoing soil health research funded through NMDA's Healthy Soil Program

- Complementary to the on-the-ground projects, **NMDA's Healthy Soil Program funds several soil health research projects** carried out in partnership with NMSU's College of Agricultural, Consumer, and Environmental Sciences (ACES).
- **These research efforts aim to identify:**
 - The optimum mix of **cover crops and organic amendments** on cropland (★ *Las Cruces*)
 - The best soil health practices to guard against erosion, noxious weeds, and other **problems on temporarily fallowed cropland** (★ *Las Cruces*)
 - The best soil health practices to **ease the transition from irrigated to dryland** production on cropland (★ *Clovis*)
 - New ways to **measure and protect soil health on rangeland** where multiple species graze (● *Otero County*)



Map courtesy NMSU

2024 NMDA Legislative Priorities

RECURRING - FY25 NMDA Operations Priorities

SOFTWARE LICENSING (\$137,000)

Microsoft is no longer honoring an educational license for NMDA. Our laboratory responsibilities will require an E5 enterprise licensing, at an annual cost of \$137,000.

RECURRING - FY25 NMDA Partner Program Priorities

ACEQUIA AND COMMUNITY DITCH FUND NEEDS (\$667,711)

The demands on this fund continually exceed available funds – typically by a factor of two. The requested amount would bring this fund to \$1,500,000.

NM AGRICULTURAL VALUE INCENTIVE PROGRAM (\$1,000,000)

The New Mexico Agricultural Value Incentive Program complements the USDA Value-Added Producer Grant and the New Mexico Economic Development Department's Local Economic Development Act to provide support for agribusiness start-ups and/or value-added expansions.

NONRECURRING - FY25 NMDA Operations Priorities

MOBILE AGRICULTURAL MARKETPLACE, PROMOTION & OUTREACH UNIT (\$250,000)

NMDA would like to purchase two multifaceted mobile exhibit trailers to deploy marketing, outreach, and educational activities in an effort to increase public awareness of NMDA, its mission, and service to New Mexicans; address agriculture illiteracy; and market and promote locally produced food and agriculture products.



Thank you!

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New Mexico Livestock Board Meat & Poultry Inspection (MPI) Program

USDA

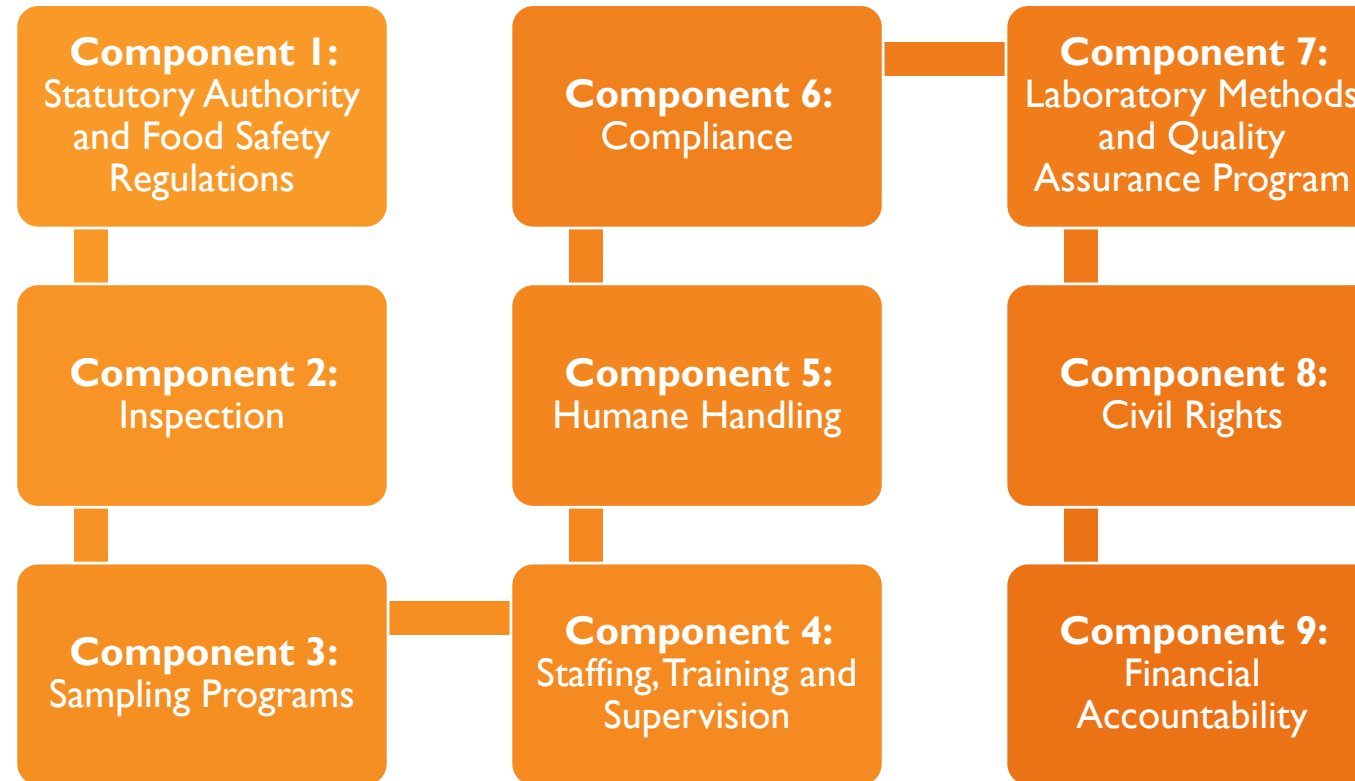
FSIS (Food Safety Inspection Service)

- The Federal Meat Inspection Act (FMIA) gives the Federal Government Preemption over all Meat & Poultry Inspection across the United States.
- The Federal Meat Inspection Act (FMIA) (21 U.S.C. 661) and the Poultry Products Inspection Act (PPIA) (21 U.S.C. 454) authorize FSIS to cooperate with State agencies in developing and administering their own Meat and Poultry Inspection (MPI) programs.
- A cooperative agreement must be entered into upon the State MPI Program operating verifiably in accordance with “At Least Equal To” Federal Inspection Requirements.
- ***The “at least equal to” standard requires State MPI programs operate in a manner that is not less effective than those standards adopted for the Federal inspection program.***

2024 USDA BUDGET SUMMARY

- *“State Meat and Poultry Inspection (MPI) programs are an integral part of the nation’s food safety system; they help prevent supply-chain bottlenecks within a state ensuring American families have plentiful access to safe meat and poultry products.”*
- *“FSIS cooperates with state agencies in developing and administering the MPI and Cooperative Interstate Shipment (CIS) programs. These programs benefit small and very small establishments, and FSIS aids in the sustainment and expansion of these programs. With rising costs, and the anticipated entry of additional states and establishments into the programs in 2024, the budget requests \$6.1 million to cover the FSIS contribution to the program (up to 50 percent of the cost of the State MPI programs and 60 percent for the CIS programs). The state MPI and CIS programs’ growth are part of USDA’s priority to expand meat processing capacity and strengthen the resilience of the supply chain.”*

Cooperative Agreement - Nine Components Must Be “At Least Equal To”



Where Are We Now?

- Under the authority of 77-2-7 (I) the NMLB has adopted Rules that the New Mexico MPI Program may regulate In-State Meat & Poultry processing facilities.
- The Legislature has provided reoccurring funding for the MPI Program which meets the Financial Accountability requirement.
- The New Mexico Livestock Board (NMLB) has submitted an official letter of intent to initiate the NM MPI Program to the FSIS Administrator. FSIS has accepted the letter as the NM MPI Programs' formal application.
- The NMLB is working to introduce a bill at the 2024 Legislative Session to establish the required Statutory Authority for the New Mexico MPI Program.
- The NMLB is currently seeking applicants for the MPI Director and Deputy Director positions.

Where Are We Now?

- On August 18, 2023, the NM State Personnel Board approved the following positions for the MPI Program:
 - MPI Director
 - MPI Deputy Director
 - Training Officer
 - Enforcement Investigative Analysis Officer
 - MPI Regional Operating Manager (ROM)
 - Compliance Officer
 - Meat & Poultry Inspector II
 - Meat & Poultry Inspector I



Thank you!

Belinda Garland

Executive Director

NM Livestock Board

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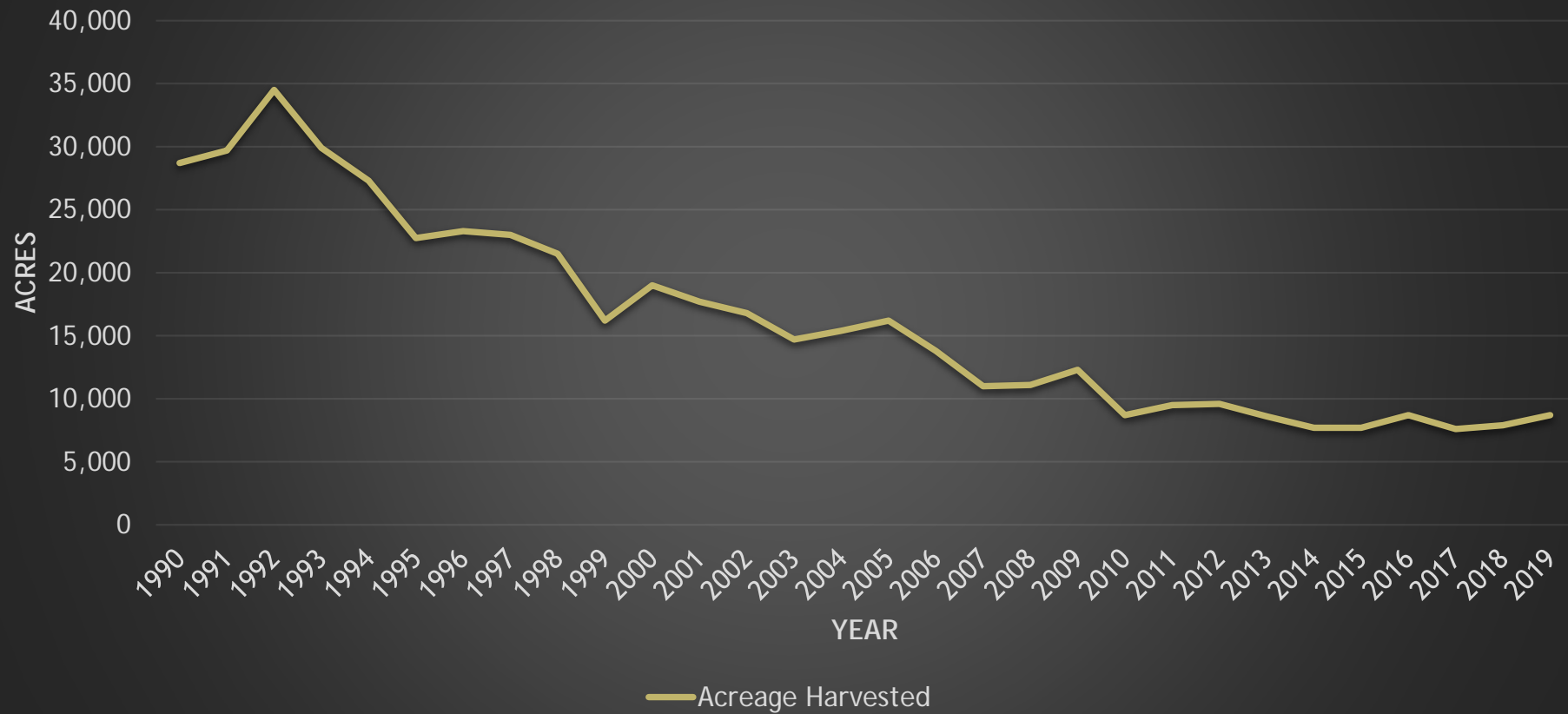
New Mexico Chile Association

Travis Day, Executive Director



Historic Chile Numbers

NM Chile Acreage Harvested



Chile Numbers 2022

- 53,000 Tons equating to a 4.5% increase from 2021
- Green: 49,125 ton, Red: 4,175 ton
- Green: 13.8 ton per acre, Red: .9 ton per acre
- 8,400 acres: down 300 acres from 2021
- Total Crop value: \$46.2 Million
 - Processing: \$41.8 million
 - Fresh: \$ 4.4 million



Industry Issues/Concerns

- Labor
 - Decrease in labor during COVID
 - Chile Labor Incentive Program (short term)
 - H2A Program (Expensive for smaller producers)
- Water Shortage
- Increased cost of business
 - Crop inputs
 - Healthy Workplace Act Implementation
- Misbranding
 - McCormick Class Action Suit



Addressing Issues/Concerns

Labor

- NMCA-NMSU Partnership for research
 - Legislative appropriation of ~\$400K/year
- Development of NuMex Odyssey
 - Mechanized Harvest

Water Shortages

- Irrigation infrastructure installment

Increased Cost of Business

- Regenerative Agriculture

Misbranding

- New Mexico Certified Chile Program
- NMDA field verification partnership



Thank you!

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