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FISCAL IMPACT REPORT

ORIGINAL DATE 2/8/06

SPONSOR Harrison LAST UPDATED _____ HB 780

SHORT TITLE McKinley County Food Program SB _____

ANALYST Lewis

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 231 (Food Banks For Public Schoolchildren).

Relates to SB 507 (Food Banks For Public Schoolchildren).

Relates to SB 610 (School-Based Food Pantry Program).

Relates to SB 617 (McKinley County Food Distribution).

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 780 appropriates \$100,000 from the general fund to the Local Government Division of the Department of Finance and Administration to operate a community pantry food program in McKinley county.

FISCAL IMPLICATIONS

The appropriation of \$100,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

According to the Department of Finance and Administration (DFA), McKinley County is one of the poorest counties in the country. It has a population of 74,000 with approximately 36% at or below the poverty level, and 50% meeting the USDA definition of food insecurity.

DFA notes that the Community Pantry serves approximately 2,000 families per week with an average of 15,000 pounds of produce. Eighty percent of their clients are Native American. McKinley County is rural, and many of the people served are in remote locations. A vehicle distributing food can put on 30,000 miles in a year.

ADMINISTRATIVE IMPLICATIONS

DFA indicates that these funds will be administered through the department's Local Government Division, which already has the staff and the knowledge to fund and monitor this project.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

DFA notes that this bill relates/overlaps with SB 617, which appropriates \$50,000 for a program to help provide for the collection and distribution of free or reduced-cost food and necessities to low-income residents of McKinley County (the Community Pantry).

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

According to the DFA, the Community Pantry has no budget to continue general operations and food distribution. Funding from private foundation grants is no longer available, and although they receive some money through the New Mexico Association of Food Banks, it is not enough to continue to operate and maintain their food storage facilities. Without additional funding, the Community Pantry will have to severely curtail or stop the delivery of food.