

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 1/31/07

SPONSOR Varela LAST UPDATED \_\_\_\_\_ HB 723

SHORT TITLE NEW MEXICO FOOD BANK SYSTEM SB \_\_\_\_\_

ANALYST Propst

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$1,100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to an appropriation of \$800.0 contained in the General Appropriations Act for FY08.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)

#### Synopsis of Bill

House Bill 723 appropriates \$1,100.0 from the General Fund to DFA for the NM food bank system, including the kids backpack program.

### FISCAL IMPLICATIONS

The appropriation of \$1,100.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general Fund..

### SIGNIFICANT ISSUES

According to a US Department of Agriculture (USDA) report published in November 2006, New Mexico is number 1 out of 50 states for the percentage of people who are food insecure. That is, 16.8% of our population do not know where their next meal is coming from. In 2005 238,000 people received emergency food from food banks and pantries throughout the state. According to the New Mexico Food Bank Association, there were approximately 81,200 people who were not served.

The Food for Kids program provides nutritious foods to children in low-income elementary schools. Kids who do not get enough to eat at home are given a backpack filled with food each week to help supplement the free breakfasts or lunches they receive at school. In FY06 62 low-income schools throughout the state were able to help 1,000 children through the program. There are currently 35 schools on the waiting list to join the program, and a total of 310 low-income schools around the state that could be served.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

The LFC and the DFA included an appropriation for \$800.0 in their budget recommendations.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

If this legislation is not enacted as many as 18,000 people who could be helped by this appropriation will not have access to the NM Food Bank program.

WEP/mt