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FISCAL IMPACT REPORT

SPONSOR Woods ORIGINAL DATE 1/25/19
LAST UPDATED _____ HB _____
SHORT TITLE New Mexico-Grown Produce For School Meals SB 115/ec
ANALYST Liu/Woods

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
\$350.0	\$0.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 328
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

No Responses Received From
Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 115 appropriates \$350 thousand from the general fund to PED for the distribution of locally grown fresh fruits and vegetables to public school districts, charter schools and juvenile detention centers.

The bill includes an emergency clause.

FISCAL IMPLICATIONS

The appropriation of \$350 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY19 and all subsequent fiscal years shall not revert to the general fund.

The General Appropriation Act of 2018 included a \$200 thousand recurring and \$225 thousand nonrecurring appropriation to PED for New Mexico-grown fresh fruits and vegetables. The

executive FY20 budget recommendation includes a \$400 thousand recurring appropriation to fund New Mexico-grown fruits and vegetables. The LFC recommendation continues the \$200 thousand recurring appropriation.

SIGNIFICANT ISSUES

In FY19, PED announced an investment of \$425 thousand to provide public and charter schools with fresh produce through “farm-to-school partnerships”.

Studies by the U.S Center for Disease Control (CDC) show students with a nutritious diet perform better than those who are nutritionally impaired.

Rural counties have a disproportionate amount of farms per school when compared to urban counterparts. As reported by the CDC, San Miguel County has 877 active farms but only 19 public schools (a ratio of approximately 46:1). Bernalillo county has 1,007 active farms but also has 197 public schools (a ratio of 5:1). It should also be noted San Miguel county has 2.3 million acres of arable land while Bernalillo county only has 350 thousand acres.

The fresh produce available to schools also varies by county. According to the United States Department of Agriculture (USDA), apples are only harvested in Lincoln, Otero, Rio Arriba, and Santa Fe counties and lettuce is even more scarcely produced, only being grown in Doña Ana county. New Mexico does not necessarily produce a wide variety of crops to, so choices for different fruits and vegetables may be limited by sourcing capabilities in each region.

DUPLICATION, RELATIONSHIP

This bill increases the investment PED has already made for locally grown fresh fruits and vegetables through the New Mexico-grown fresh fruit and vegetable appropriation.

This bill duplicates House Bill 328.

TECHNICAL ISSUES

Currently, appropriations from the general fund to PED revert at the end of each fiscal year. This bill, despite the appropriation coming from the general fund and going to PED, includes nonreverting language.

POSSIBLE QUESTIONS

Is this in addition to or in replacement of the appropriation in the General Appropriation Act?

With the recent investment by PED, why does this bill need an emergency clause?

Should the bill be amended to include transportation costs?

SL/CW/sb