



**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	0	0	0	0	n/a	n/a

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Companion to SB 227079 Appropriation to Food Banks.

Duplicates/Relates to Appropriation in the General Appropriation Act Relates to HB2

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: House Bill 131 (HB131) appropriates \$25,000. from the general fund to the Health Care Authority (HCA) to fund state food banks. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

**FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

HB131 appropriates \$25,000.0 to the HCA in FY25 to provide funding to state food banks. The non-reverting funds will allow the HCA and state food banks to maximize use of the funds in coordination with federal food assistance programs.

Currently, HB2 appropriates funds to the HCA base budget that are passed on to food banks for fresh fruits and vegetables; and supplement funding for homeless feeding sites. In FY24, HCA was appropriated \$1,100. for fresh fruits and vegetables and \$220. for homeless meals out of the general fund. In addition, through the Governor’s hunger initiative, HCA was given \$5M in FY24 that was passed down to food banks for the purchase of perishable, non-perishable and local food.

**SIGNIFICANT ISSUES**

HCA does not have the mechanisms in place to purchase foods outside of those funded by the United States Department of Agriculture. HCA’s practice is to pass funding to the New Mexico Food Banks for the purchase of perishable and non-perishable foods, fresh fruits and vegetables and supplemental funding for homeless feeding sites.

**PERFORMANCE IMPLICATIONS**

NONE

## **ADMINISTRATIVE IMPLICATIONS**

No administrative impact.

No IT impact.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB131 is a duplicate to SB227079.

## **TECHNICAL ISSUES**

None

## **OTHER SUBSTANTIVE ISSUES**

New Mexico food banks estimate a food shortage of approximately 21 million pounds of food needed. New Mexico food banks distributed 4.2 million pounds with the \$5 million provided in SFY23. New Mexico is *5th* in the nation for food insecurity by Feeding America's most recent *Map the Meal Gap 2020 Study*. Estimated food donations decreased by more than 50 percent and USDA commodities have decreased over the past 3 years. USDA Commodities dropped from \$25 million in 2020 to \$14 million in 2023 and \$10 million in 2024. HCA estimates receiving \$8 million or less in 2025. Inflation has increased food costs by 22%.

## **ALTERNATIVES**

None

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

Status Quo

## **AMENDMENTS**

None