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2024 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS

Section I: General

Chamber: Senate

Category: Bill

Number: 46

Type: Introduced

Date (of THIS analysis): Jan 22, 2024

Sponsor(s): Elizabeth Stefanics, Nancy Rodriguez, Bill Tallman, Harold Pope

Short Title: Health Care Authority Department to fund State Food Bank

Reviewing Agency: NMDOH

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 24	FY 25		
n/a	\$25	Recurring	General Fund

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 24	FY 25	FY 26		
n/a	n/a	n/a		

Explain what type of revenues this bill will generate: surcharges, taxes, fees, patient billing, federal revenues, etc.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 24	FY 25	FY 26	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$	\$	\$	\$		

Section III: Relationship to other legislation

Duplicates: House Bill 131

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

Making an appropriation in the amount of \$25,000,000 to the Health Care Authority department.

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

New Mexico (NM) is a rural and culturally diverse state, and hunger disparities in the state are prevalent. Many rural counties are in food deserts, where access to healthy and affordable food choices is limited or nonexistent. In addition, rural and low-income communities often have a greater number of convenience stores that sell little or no fresh fruits and vegetables. Fresh food and other healthier items are often more expensive at convenience stores than in larger chain grocery stores and research shows that low-income groups tend to choose foods that are cheap and convenient to access but are low in nutrient density, contributing to negative health outcomes including obesity, type 2 diabetes, heart disease, and higher levels of stress, anxiety, and depression (<https://frac.org/blog/impact-food-insecurity-health-well-conversation-heather-hartline-grafton-dr-ph-r-d>).

Nearly all of NM's 33 counties designated rural/frontier and underserved with large distances between central cities and outlying towns. Many NM communities lack adequate access to stores that sell fresh fruits and vegetables. 13.4 % of NM households are food insecure, compared to 10.7 % nationwide. More than a quarter of NM school-age children live in poverty, with limited access to healthy foods and nearly 70% of students receive free or reduced lunch at school. Individuals in low-income and food insecure communities can be especially vulnerable to obesity and subsequent chronic disease (https://frac.org/maps/food-security/tables/tab1_foodinsecurity_2018_2020.html). Additionally, older adults may have trouble accessing healthy foods they need due to health conditions, lack of access to transportation, fixed incomes, social isolation, or caring for their grandchildren on limited incomes (<https://www.feedingamerica.org/hunger-in-america/senior-hunger-facts>).

Feedingamerica.org cites that 1 in 7 people in New Mexico face hunger, and 1 in 5 children face hunger. Food banks have demonstrated a cost-effective way to reach this communities in need. More information at [New Mexico | Feeding America](#).

State food banks play a vital role in alleviating hunger by providing essential food resources to those in need, typically operating as warehouses storing large quantities and varieties of food that are distributed to smaller food pantries, which then serve local community members free of charge. Food banks and smaller food pantries can play a critical role in addressing the needs of households with children, people with disabilities, and the elderly at high risk of food insecurity. Food delivered by food banks can help provide a wide range of positive outcomes including improved food security, improved nutrition and health literacy, cooking skills, healthy food choices and intake, diabetes management and access to community resources (<https://www.feedingamerica.org/our-work/nutrition-health>). The demand for assistance from these food banks has likely surged, especially in the wake of economic challenges, job losses, and other factors contributing to increased financial strain on households.

This appropriation of twenty-five million dollars aims to bolster the capacity of state food banks to meet heightened demand, and would enable these organizations to expand their outreach, enhance food distribution networks, and ensure that vulnerable communities receive the necessary support. Investing in state food banks serves as a preventative measure against the long-term consequences of hunger. By addressing food insecurity at its root, the state can mitigate negative health outcomes, support educational attainment in children, and foster a healthier, more resilient population. The bill strategically appropriates funds to the Health Care Authority Department, recognizing the interconnectedness of nutrition and health. This collaborative approach acknowledges that addressing hunger is not only a social welfare issue but also a critical component of public health policy.

The Emergency Food Assistance Program in New Mexico received significant support with a total funding allocation of \$11.7 million from the United States Department of Agriculture (USDA). This funding was specifically designated for the procurement and distribution of USDA Foods. [Commodity Supplemental Food Program Factsheet \(azureedge.us\)](#)

The Commodity Supplemental Food Program under Temporary Food Assistance Program oversee five food banks strategically positioned throughout the state. These food banks served as distribution hubs, ensuring that food resources reached various communities, both urban and rural. The program had a substantial impact by providing monthly assistance to an average of 36,1041 low-income households. This outreach demonstrated the scale of the initiative and its ability to address the immediate needs of a significant number of families facing food insecurity.

The allocation of \$25,000,000 in state funds to food banks can have a substantial and positive impact on their operations, enabling them to address food insecurity more effectively, the funds can be used to purchase a larger quantity and variety of food items. Food banks can procure essential staples, fresh produce, and other nutritious products in bulk, allowing them to meet the diverse dietary needs of those seeking assistance. Improvements to distribution infrastructure, such as transportation and storage facilities, can be made to streamline the process of getting food from donors to those in need. Upgrading these systems ensures efficient and timely delivery of food resources. Funds can be used to establish partnerships with local farmers and producers. This not only supports local economies but also ensures a fresh and diverse supply of food for distribution, contributing to the overall nutritional quality of assistance.

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?

Yes No

If yes, describe how.

- Is this proposal related to the NMDOH Strategic Plan? Yes No

- Goal 1:** We expand equitable access to services for all New Mexicans
- Goal 2:** We ensure safety in New Mexico healthcare environments
- Goal 3:** We improve health status for all New Mexicans
- Goal 4:** We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
 Yes No N/A
- If there is an appropriation, is it included in the LFC Budget Request?
 Yes No N/A

[FY25 Volume 1 Policy and Performance.pdf \(nmlegis.gov\)](#)

Section 5, Agency Health Care Authority Department, agency request Emergency funding \$5,000

- Does this bill have a fiscal impact on NMDOH? Yes No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? Yes No

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

SB 46 is companion to HB 131 to appropriate \$25 million dollars in FY25 and subsequent fiscal years to the Health Care Authority Department to fund State Food Banks.

6. TECHNICAL ISSUES

Are there technical issues with the bill? Yes No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? Yes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? Yes No
- Does this bill conflict with federal grant requirements or associated regulations?
 Yes No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs?
 Yes No

None

8. DISPARITIES ISSUES

13.4 % of NM households are food insecure, compared to 10.7 % nationwide. More than a quarter of NM school-age children live in poverty with limited access to healthy foods and nearly 70% of students receive free or reduced lunch at school. Individuals in low-income and food insecure communities can be especially vulnerable to obesity and subsequent chronic disease (https://frac.org/maps/food-security/tables/tab1_foodinsecurity_2018_2020.html). Additionally, older adults may have trouble accessing healthy foods they need due to health conditions, lack of access to transportation, fixed incomes, social isolation, or caring for grandchildren on limited incomes (<https://www.feedingamerica.org/hunger-in-america/senior-hunger-facts>).

The bill aims to serve the population in New Mexico facing hunger and food insecurity. This includes individuals and families, particularly those in low-income households, who are experiencing challenges accessing an adequate and nutritious food supply. The focus is on vulnerable rural communities, where hunger disparities are prevalent. The bill's allocation of funds to state food banks is a positive step toward addressing health equity by tackling food insecurity at its root in rural areas mainly located in food deserts. The bill can contribute to improving nutritional outcomes and overall health in populations that may otherwise be at risk.

9. HEALTH IMPACT(S)

SB46 supports funding state food banks that can help address the needs of food insecure populations and those at high risk of food insecurity, including households with children, people with disabilities, and the elderly.

10. ALTERNATIVES

None

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If HB131 is not enacted, the \$25,000,000 for the Health Care Authority Department will not be able to fund the local state food banks, which may lead to persistent hunger, worsened health outcomes, and increased disparities.

12. AMENDMENTS

None