

LFC Requester:	Esquibel
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**AGENCY BILL ANALYSIS
2021 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply: **Date** 2/11/2021
Original **Amendment** _____ **Bill No:** HB207
Correction _____ **Substitute** _____

Sponsor: Melanie A. Stansbury **Agency Name**
Joanne J. Ferrary **and Code** PED-924
Elizabeth "Liz" Stefanics **Number:** _____
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ACT

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
	750.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY21	FY22	FY23		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 207 (HB207) would create the Food, Hunger and Farm Act and subsequently create the Food, Hunger and Farm Council, whose members’ duty would be to annually develop a strategic plan that identifies and assesses issues and provides recommendations regarding hunger and nutrition, expanding access to food, and promoting food and agricultural products from the state. HB207 would create the Food and Farm Fund, to which HB207 would appropriate \$750 thousand for expenditure in FY22 and subsequent fiscal years for the purposes of the Food, Hunger and Farm Act.

HB207 would also require the Human Services Department (HSD), the New Mexico Department of Agriculture (NMDA), the New Mexico Livestock Board, agricultural producers and organizations, the Economic Development Department, the Public Education Department (PED), the New Mexico State University (NMSU) Cooperative Extension Service, the Workforce Solutions Department (DWS), the Higher Education Department (HED), the Early Childhood Education and Care Department (ECDCD), the Aging and Long-Term Services Department (ALTSD), the Department of Health (DOH), the Corrections Department, higher education institutions of New Mexico, soil and water conservation districts, the Department of Environment (ED), the State Land Office, the Indian Affairs Department (IAD), the Energy, Minerals and Natural Resources Department, the Children, Youth and Families Department (CYFD), food banks and nonprofit organizations, representatives from tribal and local governments, and state agencies that provide nutrition support, meal and employment programs would be required to develop and provide recommendations, pursuant to Section 2 through 11 of HB307, to the Governor, the Secretary of Finance and Administration, the Legislative Finance Committee (LFC), and the appropriate legislative interim committees by November 1, 2022 and each November 1 occurring thereafter.

FISCAL IMPLICATIONS

HB207 would appropriate \$750 thousand from the general fund to the Food, Hunger and Farm Fund for expenditure in FY22 and subsequent fiscal years for the purposes of the Food, Hunger and Farm Act. Any unexpended or unencumbered balance remaining at the end of a fiscal year would not revert to the general fund.

SIGNIFICANT ISSUES

Agency Requirements. Per HB207, the Secretary of Human Services, in consultation with

NMDA, would be required to appoint members to the Food, Hunger and Farm Council. Members would be from tribal and local governments; schools, universities, and other educational institutions; organizations pertaining to the operation of food banks; nonprofit organizations established to provide food and reduce hunger or food insecurity; dietitians, health care providers and hospital systems; organizations and individuals working to reduce food insecurity, create more effective food systems, monitor food distribution, provide data analysis or advance New Mexico food product marketing and strategic planning; the Office of the Governor; and members from the following nine agencies: NMDA, HSD, ALTSD, CYFD, PED, HED, ECECD, IAD, and the Homeland Security and Emergency Management Department.

The Food, Hunger and Farm Council would be required to annually develop a strategic plan that identifies and assesses issues and provides recommendations regarding hunger and nutrition, expanding access to food, and promoting food and agricultural products from the state. The council would be required to present its strategic plan to the Governor, the Secretary of Finance and Administration, the Legislative Finance Committee, and the appropriate legislative interim committees by December 1, 2022 and each December 1 occurring thereafter.

HB207 would require HSD, in consultation with NMDA, to develop an annual food infrastructure plan that includes an inventory of and establishes recommendations to improve food processing, food storage and food distribution, and other critical infrastructure and capital equipment needs to address statewide hunger. State entities with assets identified in the plan would be required to make those assets available to support implementation of the plan to the greatest extent practicable. It is unclear what state entities would have such assets.

The New Mexico Livestock Board, in consultation with NMDA and with agricultural producers and organizations, would be required to jointly and annually develop recommendations for a plan to improve meat inspection and processing and to improve the safety and quality of meat consumption. The plan would be required to include recommendations to support and sustain meat production infrastructure, processing and distribution in the state.

NMDA, the Economic Development Department, PED, the New Mexico State University Cooperative Extension Services, the Workforce Solutions Department (DWS), and HED would be required to jointly and annually develop recommendations for a plan to enhance economic development and job creation resulting from agricultural production and food distribution in the state, address workforce needs, rights and wages and promote local processing, distribution and sale of food and agricultural products produced in the state.

PED, ECECD, ALTSD, NMDA, the Department of Health, and the Corrections Department would be required to jointly and annually develop, in cooperation with meal and nutrition support programs established by the state, recommendations for a plan to increase the purchase of New Mexico-grown food products and improve interagency coordination, streamlining and administration.

PED, ECECD, and HED, upon consultation with higher education institutions of the state, would be required to jointly and annually develop recommendations for a plan to expand and improve meal programs at schools, early childhood care facilities and higher education institutions, consider adaptations to school meal programs to address barriers in participation and address hunger and food insecurity among student and staff populations.

NMDA, soil and water conservation districts, ED, the State Land Office, IAD, and the Energy,

Minerals, and Natural Resources Department would be required to jointly and annually develop recommendations for a statewide plan to support resilient and traditional agricultural practices and land stewardship, soil and water conservation, indigenous and traditional food practices and seed saving and landscape-level resilience. The plan would be required to be developed upon consultation with agricultural producers, higher education institutions of the state and other federal, tribal, and nongovernmental organizations.

HSD, in consultation with NMDA, ALTSD, PED, HED, ECECD, IAD, and CYFD, would be required to jointly and annually develop recommendations for a plan to address malnutrition among vulnerable groups, including children, senior citizens, rural and low-income communities, people living in poverty and other vulnerable groups as determined by HSD.

HSD, in consultation with other state agencies, food banks, nonprofit organizations, agricultural producers and organizations and representatives of tribal and local governments, would be required to jointly develop recommendations for a statewide plan. The recommendations for a statewide plan would be to respond to and provide emergency relief for food and water needs during a public emergency, which would be required to consider best practices, food and water supply vulnerabilities and needs in the state, protocols for assessing food and water needs in partnership with tribal and local governments, and the need for coordination and data sharing. The recommendations for a statewide plan would also be to provide food relief on an ongoing basis in a manner that addresses, in the long term, systemic hunger and food insecurity.

HSD, ALTSD, PED, DWS, and CYFD, in consultation with other state agencies that provide nutrition, support, meal, and employment programs, would be required to jointly and annually develop recommendations for and implement a plan to increase food and income security by maximizing eligibility and enrollment for state and federally funded programs; coordinating and streamlining meal, nutrition and employment programs, improving program processes and staffing and reducing caseloads and backlogs to improve access to services; providing for improved administration of meal, nutrition and employment programs through strategies including centralized resource centers, one-stop points of entry and joint case management; providing education to members of the public on existing meal, nutrition and employment programs and program eligibility and enrollment; training caseworkers and staff to provide services in a manner that is sensitive to victims of trauma and that is culturally and linguistically appropriate; increasing outreach for the federal supplemental nutrition assistance program by partnering with nongovernmental organizations; and expanding meal programs for vulnerable populations, including senior meal programs, public school meal programs and programs serving individuals with disabilities.

The HSD Income Support Division would be required to, to the extent permitted by federal law, make timely applications for and timely renew all federal waivers that will increase benefit amounts and the number of individuals who qualify for and participate in the supplemental nutrition assistance program.

By November 1, 2021, the Purchasing Division of the General Services Department would be required to develop recommendations for changes to procurement requirements to increase the percentage of food purchased by state agencies from food producers and processors with a principal place of business in New Mexico by fifty percent by January 1, 2030; provided that the recommendations would be prohibited from applying to food banks.

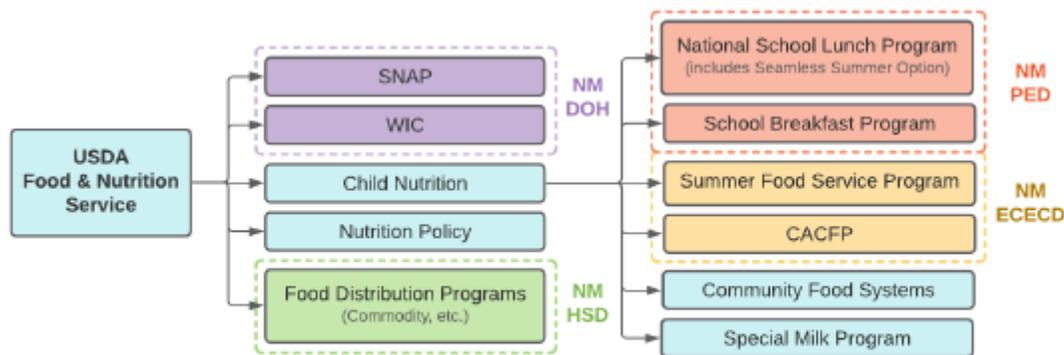
Plan recommendations developed pursuant to Section 2 through 11 of HB307 would be required

to be provided to the Governor, the Secretary of Finance and Administration, LFC, and the appropriate legislative interim committees by November 1, 2022 and each November 1 occurring thereafter.

HB207 would create the Food, Hunger and Farm Fund as a nonreverting fund in the state treasury. The fund would consist of appropriations, gifts, grants, donations, income from investment of the fund and any other money credited to the fund. The fund would be administered by HSD to carry out the purposes of the Food, Hunger and Farm Act. Money in the fund would be disbursed on warrants signed by the Secretary of Finance and Administration pursuant to vouchers signed by the Secretary of Human Services.

Existing efforts. The New Mexico Grown Interagency Task Force is comprised of five state agency partners who believe local food has the power to transform NM nutrition programs. PED, ECECD, and ALTSD administer the state’s nutrition programs and play a key role in shaping NM’s food and agricultural systems. DOH and NMDA provide guidance on program delivery and implementation. The Office of the Governor supports the creation of a standard system for procuring local produce and food products across all agency nutrition programs. The administrative structure of NM’s child nutrition programs is referenced in Figure 1 below.

Figure 1: Administration of Child Nutrition Programs



*Adult nutrition programs have been omitted from this diagram for clarity and brevity.

**NM Human Services Division (NM HSD) is not currently a taskforce member.

Nutrition programs are a critical component of the state’s response to hunger and poverty and can have a positive impact on food access and health outcomes. The COVID-19 pandemic has highlighted the importance of these programs now more than ever. Because of Task Force members and their partners’ work, 40,757,300 meals were served to children, families, and older adults in the state Between March 1, 2020 and December 1, 2020.

New Mexico Grown (NM Grown) is a program that serves K-12 students, older adults in senior centers, and early childhood education sites across New Mexico by incentivizing the purchase and distribution of locally grown fruits and vegetables for meal and snack programs. Currently, only ALTSD and PED operate programs with the support of state funding.

Additionally, about 330,000 New Mexico students participated in the National School Lunch Program during the 2019-2020 school year. Of that number, 70.3 percent of students received either free or reduced-fee meals. The number of participating students decreased to 287,000 students during the 2020-2021 school year due to the pandemic. Of those students, 67.3 percent received free or reduced-fee meals.

Nutrition issues. Nearly all of the state's 33 counties are designated rural/frontier and underserved with large distances between central cities and outlying towns. Many communities lack adequate access to stores that sell fresh fruits and vegetables. Almost 18 percent of households are food insecure, compared with 12.3 percent nationwide. More than a quarter of the state's school-age children live in poverty with limited access to healthy foods and over 70 percent of students receive free or reduced-fee lunch at school. Individuals in low-income and food insecure communities can be especially vulnerable to obesity and subsequent chronic disease.

Obesity is also a serious health issue in New Mexico and there is a connection between poverty, food insecurity, and the social and environmental dynamics. This is a major issue in the state's Native American communities and high poverty areas.

Nutrition programs are important to fight the hunger problem and food insecurity in the state. The support of the Governors Children's Cabinet has helped fight these issues and bring key state agencies, non-profit organizations, and leaders to the table. PED has been working closely with the NM Grown Produce Grant, which helps feed children in schools with NM Grown fresh fruits and vegetables.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

A member of PED would need to be part of the Food, Hunger and Farm Council.

PED would be required to work with NMDA, the Economic Development Department, the New Mexico State University Cooperative Extension Service, DWS, and HED to jointly and annually develop recommendations for a plan to enhance economic development and job creation resulting from agricultural production and food distribution in the state, address workforce needs, rights and wages and promote local processing, distribution and sale of food and agricultural products produced in the state.

PED, with ECECD, ALTSD, NMDA, DOH, and the Corrections Department, would be required to jointly and annually develop, in cooperation with meal and nutrition support programs established by the state, recommendations for a plan to increase the purchase of New Mexico-grown food products and improve interagency coordination, streamlining and administration.

PED, with ECECD and HED, upon consultation with higher education institutions of the state, would be required to jointly and annually develop recommendations for a plan to expand and improve meal programs at schools, early childhood care facilities and higher education institutions, consider adaptations to school meal programs to address barriers in participation and address hunger and food insecurity among student and staff populations.

The HSD, in consultation with PED, NMDA, ALTSD, HED, ECECD, IAD, and CYFD, would be required to jointly and annually develop recommendations for a plan to address malnutrition among vulnerable groups, including children, senior citizens, rural and low-income communities,

people living in poverty and other vulnerable groups as determined by the human services department.

PED, with HSD, ALTSD, DWS, and CYFD, in consultation with other state agencies that provide nutrition, support, meal and employment programs, would be required to jointly and annually develop recommendations for and implement a plan to increase food and income security by the provisions outlined in HB207.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A

AMENDMENTS

N/A