

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 59

51st Legislature, 1st Session, 2013

Tracking Number: .191297.1

Short Title: School Meal Program Commodities Deliveries

Sponsor(s): Representative Jimmie C. Hall

Analyst: James Ball

Date: February 13, 2013

Bill Summary:

HB 59 makes an appropriation to provide for the delivery of commodities for school meal programs in elementary and secondary schools statewide.

Fiscal Impact:

\$600,000 is appropriated from the General Fund to the Human Services Department (HSD) for expenditure in FY 14. Unexpended or unencumbered funds do not revert to the General Fund.

Substantive Issues:

According to HSD, prior to school year 2007-2008, the Food and Nutrition Services Bureau (FANS) was able to store and deliver school commodities without charging schools for the service. This cost was covered by funds from the Public Education Department (PED). However, since 2008, PED has not received specific funding for commodity deliveries.

To cover the cost of storage and delivery, HSD began to charge schools for deliveries. The fee structure is based on the average daily lunch participation for each school entity, which represents the school's fair share of FANS costs to operate the program.

Background:

According to HSD, FANS is the state entity authorized by US Department of Agriculture (USDA) to administer the USDA foods commodities program for schools. New Mexico receives approximately \$9.0 million worth of USDA commodity food for schools each year, although USDA does not allocate administrative funds for delivery costs.

In New Mexico, all 89 public school districts, and a number of private schools, charter schools, residential treatment centers, and Bureau of Indian Education schools benefit from the USDA commodities program. Participating schools are able to serve approximately 144,000 breakfasts and 212,000 lunches daily.

Committee Referrals:

HAGC/HEC/HAFC

Related Bills:

SB 75 *Healthy School Lunch Rules*

SB 76 *NM-Grown Produce in School Lunches*

SB 80a *NM-Grown Produce in School Meals*