

LFC Requester:

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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

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

Date 1/31/25 *Check all that apply:*
Prepared: _____
Bill HB 229 Original Correct
Number: _____ ion _____
 Amend _____ Substit
 ment _____ ute _____

Spons _____ **Agency**
or: Dow, Lujan, Ferrary **Name and**
Code
Number: NMDA - 199
Person Writing
Analysis: Jeff Witte
Short New Mexico Grown **Pho** _____
Title: Approved Supplier **ema** Jheitz@nmda.nm
 Program **ne:** 575-294-3817 **il:** su.edu

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0.00	\$430.0	Nonrecurring	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(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

Synopsis:

House Bill 229 (HB 229) makes an appropriation of four hundred thirty thousand dollars (\$430.0) to the board of regents of the New Mexico state university (NMSU) for the New Mexico department of agriculture (NMDA) for expenditure to the New Mexico grown approved supplier program in fiscal year 2026 (FY26).

FISCAL IMPLICATIONS

None to NMDA

SIGNIFICANT ISSUES

As part of Governor Lujan Grisham’s Food Initiative, New Mexico grown is a collaborative effort comprised of multiple state agencies, NMDA, New Mexico public education department (PED), New Mexico early childhood education and care department (ECECD), New Mexico department of health (DOH), and New Mexico aging and long-term services department (ALTSD).

New Mexico grown is a values-based local food purchasing program. The program is two-fold as it provides a framework supporting both institutional buyers (preschools, schools, senior centers, food banks, etc.) and local farmers and ranchers. The NM grown program approved supplier program (ASP) is a critical component of this framework as it helps ensure that the fresh produce, meat and value-added products purchased by and moving through schools, early childcare facilities, senior centers and food banks are safe, traceable, and comes from local producers that use sound and current food safety practices. ASP applies a programmatic knowledge of institutional buying requirements and challenges for vendors to ensure a more streamlined internal purchasing process. ASP is the state’s food quality assurance program and is essential to New Mexico grown procurement process.

Currently, the New Mexico grown program has benefited 277 farmers and ranchers while supplying 161 institutions with safe fresh local food, and over 1,539,735 complete and enhanced meals (or 1,145,353 pounds of food) to over 262,647 consumers across the state with an economic benefit of \$4,440.0.

ASP FY26 projections include over 300 suppliers, over 200 buyers, 6 administering agencies, \$7,500.0 in food sales, and 2,500.0 meals served in New Mexico communities.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

Presently, NMDA is the fiscal agent for state ASP funding. State appropriations awarded through the board of regents of NMSU, for NMDA, must adhere to our procurement policy and process, including a request for proposals. The current awardee for state funds designated to ASP is the New Mexico farmers' marketing association (NMFMA). NMFMA has successfully administered ASP since fiscal year 2019.

ASP has helped state agencies leverage federal dollars related to food procurement, estimated at \$11,720.0, together detailed below:

- United States department of agriculture (USDA) local food for schools' cooperative agreement program (LFS)- \$5,674.0
- USDA local food procurement cooperative agreement program (LFPA), also known locally as the regional farm to food bank- \$6,046.0*.

*Note: The USDA LFPA federal grant referenced above presently underwrites a significant amount of NMFMA's ASP administrative and technical assistance budget. This federal grant is approaching the sunset date of June 2025.

ASP has helped state agencies leverage state dollars specifically for food procurement, estimated at \$16,088 (FY19-26), together detailed below:

- PED-New Mexico grown \$9,798.0
- ALTSD- New Mexico grown \$3,830.0
- ECECD- New Mexico grown \$1,426.0
- DOH- Food is Medicine, Fresh Rx \$332.0
- NMDA- \$702.0-double up food bucks (grocery stores sales only)

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

An appropriation of \$430.0 will not be made in fiscal year 2026 for the purposes of ASP. NMDA will have limited funding to help provide a framework for supporting both institutional buyers (preschools, schools, senior centers, food banks, etc.) and local farmers and ranchers.

AMENDMENTS

N/A