

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill No:** HB 171

**49th Legislature, 1st Session, 2009**

**Short Title:** NM-Grown Produce for School Meals

**Sponsor(s):** Representative Nathan P. Cote and Others

**Analyst:** James Ball

**Date:** January 30, 2009

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**Bill Summary:**

HB 171 makes an appropriation for the New Mexico Department of Agriculture (NMDA) to purchase New Mexico-grown fresh fruits and vegetables and to administer a program ensuring that this produce is delivered to school lunch programs statewide.

**Fiscal Impact:**

\$3.3 million is appropriated from the General Fund to the Board of Regents at New Mexico State University (NMSU) for FY 10.

HB 133 contains a reversion clause.

**Fiscal Issues:**

According to the Legislative Finance Committee (LFC) Fiscal Impact Report (FIR) of a companion bill (SB 107), the LFC has concerns about the growth of research and public service projects within the higher education budget, as well as the alignment of these projects with state goals and strategic plans. The committee also continues to have significant concerns about accountability and performance outcomes for such projects.

NMDA states that the Legislature appropriated \$85,000 in FY 08 to purchase fruits and vegetables for the lunch and snack program in 12 Albuquerque schools serving close to 6,000 students, although most of the funds were used to purchase fruits and vegetables from outside of New Mexico.

According to the Higher Education Department (HED), this request was not submitted by NMSU to HED for review and is not included in the department's funding recommendation for FY 10.

**Issues:**

According to NMDA:

- a business plan is not currently available to determine total usage and demand by the schools, purchasing criteria, availability of specific fruits and vegetables, or identification of suppliers, packaging, and distribution channels. As the program has grown, however, distribution systems are being developed to transport locally grown products to schools;
- more than 218,000 New Mexico school children are eligible for free or reduced school lunches;

- New Mexico school food service directors have on average one dollar per child per school lunch that must meet US Department of Agriculture school nutrition standards to provide five food options, including milk. Food service directors report that this level of funding is inadequate to purchase fresh fruits and vegetables; and
- a study published in the journal of the American dietetic association in 2007 indicated the price of fresh fruits and vegetables has increased about 20 percent in just two years. HB 171 would provide 25 cents toward an additional serving of fresh fruits and vegetables per child statewide at least twice per week.

### **Background:**

According to NMDA,

- New Mexico growers and shippers of fresh fruits and vegetables began supplying produce to one school district in 2001. They now supply eight school districts with sales in 2008 of approximately \$350,000;
- New Mexico producers are selling melons, apples, potatoes, tomatoes, carrots, peaches, pears, and salad greens seasonally. While some producers are able to sell products only from June to October, NMDA has seen a growth in sales into March and beyond due to improved storage and season extension techniques being utilized to meet school market demand;
- most public and private schools in New Mexico require or will require good agricultural practices (GAP) certification for suppliers of fruits, vegetables, and food products. NMDA and NMSU offer GAP certification training to producers in the state; and
- a 2007 study done by the NMDA, “Farm to Table” (a New Mexico nonprofit entity) and the Congressional Hunger Center surveyed 682 New Mexico farmers. Sixty-four percent of farmers who returned the survey indicated they would be interested in selling to local schools and institutions. Surveys also were sent to 175 food service directors in the state representing most of New Mexico’s public, private, charter, and Bureau of Indian Education schools. Fifty of the 60 respondents indicated that they would purchase from New Mexico farmers.

Finally, the Department of Health states that increased fresh fruit and vegetable intake is one of the key strategies that the department uses through its “Fruits & Veggies – More Matters” program to prevent chronic diseases such as coronary heart disease, some cancers, obesity, and osteoporosis. Therefore, serving more fresh fruits and vegetables to school-aged children is highly desirable.

### **Related Bills:**

HB 386 *NM-Grown Fruits & Vegetables in School Lunch*  
 SB 107 *Fresh Fruits & Vegetables in School Lunches*