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FISCAL IMPACT REPORT

ORIGINAL DATE 03/04/13

SPONSOR Baldonado LAST UPDATED _____ HM 78

SHORT TITLE Donation of Certain Meat to Needy SB _____

ANALYST Wojahn

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Environment Department (NMED)

New Mexico Department of Agriculture (NMDA)

No Response From

Department of Game and Fish

SUMMARY

Synopsis of Bill

House Memorial 78 (HM 78) requests the United States Department of Agriculture, the Department of Game and Fish and the New Mexico Environment Department (NMED) to collaborate to amend the United States Department of Agriculture (USDA) rule to allow donations of meat to the needy which have not been inspected by the USDA.

SIGNIFICANT ISSUES

Although livestock and wild game are mentioned in the body of HM 78, the actual request is for collaboration to amend a federal rule to allow donations of “meat”. The NMED offered the following analysis:

The USDA only requires mandatory inspection of certain species: cattle, swine, sheep, and goats. Bison, elk, deer, and other wild game animals are exempt from inspection requirements. HM 78 states,

“Whereas United States department of agriculture food safety inspection service regulations prohibit the donation of meat that has not been inspected by the

United States department of agriculture;”

Because the USDA does not require inspections of wild game, this language in HM 78 is incorrect. For clarity, this analysis will refer to “livestock” when the intent is to discuss meat that requires inspection.

Currently, wild game meat may be donated to charitable, religious, or other non-profit organizations under the Food Donors Liability provisions of New Mexico statute, § 41-10-5 NMSA:

A. Wild game meat products may be donated by hunters, taken to a commercial meat processor for preparation and delivery to charitable, religious or other nonprofit organizations and served for human consumption at no charge if transported, stored and processed according to procedures established by the department of environment.

B. For purposes of this section, “wild game” means deer, elk, antelope, caribou, ibex, oryx and Barbary sheep.

The New Mexico Food Service and Food Processing Regulations, 7.6.2 NMAC, already have provisions for donated wild game:

(7) *Commercially raised game animals, donated wild game, and other exotic animals shall be processed as follows:*

(b) Donated wild game meat shall be processed in New Mexico Livestock Board licensed and Health Authority permitted facilities. Unless served within forty-eight (48) hours of processing, donated wild game meat shall be frozen prior to distribution. Wild game meat shall only be donated to charitable organizations operating permitted facilities for the needy. (7.6.2.9.A(7)(b) NMAC).

As a result of the above provisions, at this time, it is lawful in New Mexico to donate wild game to charitable organizations serving the needy and HM 78 is not needed to allow that.

With respect to donating uninspected livestock to charitable organizations serving the needy, the exemptions from the livestock inspection requirements have been established in federal statute, *see* 21 U.S.C.A. § 623, and the USDA would have no authority to adopt a rule exceeding the exemptions allowed by Congress. Therefore, it would require a change to federal law to allow donating uninspected livestock to charitable organizations as food for the needy. The NMED recommends an amendment to this effect below.

The New Mexico Department of Agriculture reports HM 78 requires a change in federal law pertaining to meat inspections. The critical point is finding a means of allowing donations of non-inspected meat while still protecting public health and addressing the risk and liability aspect in transferring the product from home use to public consumption.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Donations of livestock will continue to require inspection in order to be eligible for donation to the needy.

AMENDMENTS

According to the NMED, because wild game meat that is uninspected may already be donated to charitable organizations serving the needy, references to wild game in this memorial are unnecessary and could be deleted.

To accomplish a statutory change to the Federal Meat Inspection Act, the NMED recommends collaborating with the state's congressional delegation rather than state or federal agencies.

MEW/svb