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**LEGISLATIVE EDUCATION STUDY COMMITTEE**  
**BILL ANALYSIS**  
**54th Legislature, 1st Session, 2019**

<b>Bill Number</b>	<u>*HB328</u>	<b>Sponsor</b>	<u>Bandy/Small</u>
<b>Tracking Number</b>	<u>.211995.1</u>	<b>Committee Referrals</b>	<u>HAWC/HAFC</u>
<b>Short Title</b>	<u>NM-Grown Produce for School Meals</u>		
<b>Analyst</b>	<u>Stiles</u>	<b>Original Date</b>	<u>1/28/19</u>
		<b>Last Updated</b>	<u>2/26/19</u>

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**BILL SUMMARY**

Synopsis of Bill

House Bill 328 (\*HB328) appropriates \$350 thousand to the Public Education Department (PED) in FY19 for the purchase and distribution of fresh fruits and vegetables grown in New Mexico to school districts, charter schools, and juvenile detention centers. \*HB328 has an emergency clause.

**FISCAL IMPACT**

\*HB328 appropriates \$350 thousand from the general fund to PED for expenditure in FY19 and subsequent fiscal years. Any unexpended or unencumbered balance remaining at the end of FY19 will not revert to the general fund.

In FY19, the Legislature appropriated \$200 thousand dollars in recurring and \$225 thousand in non-recurring funds for New Mexico-grown fruits and vegetables. So far school districts and charter schools have been reimbursed for \$102 thousand, though PED analysis notes school district and charter school requests for funding exceeded the current available funding by \$125 thousand. \*HB328 would supplement the available funding for FY19, bringing the total FY19 New Mexico-grown appropriation to \$775 thousand.

House Appropriations and Finance Committee Substitute for House Bill 2 includes \$200 thousand for the New Mexico-grown fruits and vegetables program for FY20.

**SUBSTANTIVE ISSUES**

The table summarizes the use of the New Mexico-grown fruits and vegetables appropriation between FY15 and FY19 to date. In FY18, the Legislature did not appropriate funds for New Mexico-grown fruits and vegetables, however the Legislature reauthorized the use of \$29 thousand for New Mexico-grown fruits and vegetables in FY18. Nearly all of these funds were used in FY18.

**New Mexico-Grown Fruits and Vegetables Program History**

	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19 to Date</b>
Appropriation in General Appropriations Act	\$240,000	\$364,600	\$250,000	\$29,333	\$425,000
Reimbursements to School Districts, and Charter, Bureau of Indian Education, and Private Schools	\$87,125	\$232,455	\$220,667	\$29,327	\$102,000 <sup>1</sup>
Percent of Appropriations Spent	36%	64%	88%	100%	24% <sup>1</sup>
Number of Allocations to School Districts and Schools	22	65	46	3	56

<sup>1</sup>Reimbursement will increase by the end of FY19

Source: SHARE and PED

School districts and charter schools must apply for the New Mexico-grown fruits and vegetable award, and then request reimbursement of funds up to the amount awarded to them. Although PED has awarded the entirety of the New Mexico-grown fruits and vegetables appropriation since FY15, school districts and charter schools have historically not requested reimbursement for the full award with the exception of FY18, in which the appropriated amount was a holdover from FY17. Because funds are allocated at the school district level, it is unclear exactly how many students were impacted by the program. PED notes demand for the New Mexico-grown fruits and vegetable program has increased every year and in FY19, 56 school districts and charter schools have been awarded funding to purchase New Mexico-grown produce directly from local farmers for school meals. PED notes FY19 school district school and charter school requests exceed the current available funding by \$125 thousand.

**RELATED BILLS**

This bill duplicates Senate Bill 115

**SOURCES OF INFORMATION**

- LESC Files
- SHARE
- New Mexico State University (NMSU)
- Public Education Department (PED)

**AMS/mc**