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FISCAL IMPACT REPORT

SPONSOR Stefanics/Lopez/Ortiz y Pino/McKenna LAST UPDATED _____
ORIGINAL DATE 2/23/23
SHORT TITLE State Food Banks BILL NUMBER Senate Bill 352
ANALYST Esquibel

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$5,000.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

Human Services Department (HSD)

SUMMARY

Synopsis of Senate Bill 352

Senate Bill 352 (SB352) would appropriate \$5 million from the general fund to the Human Services Department (HSD) to fund state food banks in FY24 and subsequent fiscal years. The bill provides that none of this appropriation may be used for associated program administration.

FISCAL IMPLICATIONS

The appropriation of \$5 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY24 shall not revert to the general fund and may be expended in subsequent fiscal years.

HB2, General Appropriation Act, as passed by the House Appropriations and Finance Committee includes \$20 million for various food initiatives and school meal improvements.

SIGNIFICANT ISSUES

HSD reports HB2 appropriates funds to HSD that are passed on to food banks for fresh fruits and vegetables and supplement funding for homeless feeding sites. In FY23, HSD was appropriated \$1.1 million for fresh fruits and vegetables and \$220 thousand for homeless meals from the

general fund. In addition, through the governor’s hunger initiative, HSD received \$5.7 million in FY23 that flowed through to food banks for the purchase of perishable, non-perishable, and local food.

HSD does not have the mechanisms in place to purchase foods outside of those funded by the United States Department of Agriculture. HSD’s practice is to pass funding to the New Mexico food banks for the purchase of perishable and non-perishable foods, fresh fruits and vegetables, and supplemental funding for homeless feeding sites.

OTHER SUBSTANTIVE ISSUES

HSD reports based on estimated food donations and estimated USDA commodities along with food purchases from other sources, the New Mexico food banks estimate a food shortage of approximately 6.04 million pounds of food. New Mexico is ranked 5th in the nation for food insecurity by Feeding America’s most recent Map the Meal Gap 2020 study. The study estimates the number of food insecure individuals is 271,210. USDA food had decreased substantially since 2020 when New Mexico received \$25,217,570, compared with \$15,608,537 in 2021, and \$11,289,614 for 2022. HSD anticipate a funding drop to \$8,514,625 in USDA food funds in 2023.

RAE/mg/ne/mg