

	Exec Rec	LFC Rec
FY22 Recurring Appropriation:	\$12,360,000	\$12,360,000
FY23 Recommendation:	\$1,000,000	\$500,000
FY23 Food & Hunger Initiative Recurring: <i>*Funded through NM Dept of Finance & Administration</i>	\$2,816,800	
FY23 Total Appropriation Request:	\$16,176,800	\$12,860,000

FY23 Capital Outlay Request: <i>NMDA Administration Building Replacement</i>	\$17,500,000
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FY22 PRIORITY AREAS

SOUTHWEST BORDER FOOD PROTECTION AND EMERGENCY PREPAREDNESS CENTER (\$100,000)

New Mexico agriculture faces a myriad of omnipresent threats including agro-terrorism, foreign animal diseases, and natural hazards such as winter storms and prolonged drought. This -- coupled with industry and response agency employee turnover -- necessitates ongoing training and collaboration to ensure response readiness and awareness. This request builds on the Center's success in developing buy-in from local, regional, and national entities and diverse stakeholders. The Center will utilize funding for staff to continue efforts in critical preparedness activities and management of projects and programmatic emergency preparedness actions that will aid the Center in its efforts to Plan, Organize/Equip, Train, Exercise, and Evaluate/Improve across New Mexico for salary, fringe, emergency exercise programming and travel.

MARKETPLACE AND ECONOMIC DEVELOPMENT (\$400,000)

Meat Processing and Marketing - Coronavirus disease 2019 (COVID-19) highlighted the vulnerability in the meat supply chain, with production falling drastically in the early stages of the pandemic, within weeks of the declaration of the nation's emergency. As the larger commercial processing facilities shut down, limited hours, or implemented social distancing measures that slowed output, cattle prices cratered and ranchers were forced to consider other options, including diverting livestock to approved small facilities. To address this, HB2 appropriated \$150,000 from the general fund to NMDA to support the development of a local meatpacking cooperative. The funding request is that the appropriation be recurring.

Food, Agriculture and Nutrition - Improved focus on adequate access to affordable locally-produced food is a critical component of New Mexico's response to hunger and poverty, and it can have a lasting impact on easy access to fresh, healthy and nutritious foods, especially to those in underserved populations/areas. While agriculture is a major economic driver, over 95% of the food New Mexicans consume comes from out of state, and nearly all food produced in New Mexico leaves the state. A stronger local food system would simultaneously support local farmers and ranchers economically by keeping dollars near home, while combating food insecurity and hunger in their communities, geographic regions and the state. The request for funding is \$100,000 for salary, fringe, travel, supplies and administrative support.

Domestic and International Marketing and Development - Expansion of Value-Added Ag and Economic Development Operations - The Marketing and Development Division relies on a combination of state appropriations and federal grants to support its annual marketing plan and workflow. An increase in program and operational budgets will improve the Marketing and Development team's ability to support New Mexico food producers, processors, restaurants and agribusinesses. This is accomplished through a plan focused on enhancing market share in existing markets and/or development of new markets. Funding allocation is for \$150,000 for State Food/Ag Pavilions at domestic/international trade shows.

STATE CHEMIST LABORATORY (\$300,000)

The State Chemist Laboratory operates primarily as a regulatory lab providing analytical support of statutory mandates. This laboratory provides chemical analysis for departmental regulators to ensure New Mexico's citizens receive products that meet labeling guarantees and are not adulterated.

The protections provided include those who use animal feed (including pet food), commercial fertilizers, commercial pesticides and increased scale testing related to the legalization of cannabis. This analysis of regulatory samples ensures a level playing field for manufacturers, consumer protection and promotes responsible environmental stewardship. The laboratory currently maintains ISO/IEC 17025:2017 accreditation for animal feed analysis with a scope including protein, fat, fiber, moisture and aflatoxin (biological) analyses. The lab continues towards increasing the scope of accreditation to include testing of fertilizer and pesticide products along with pesticide residues. This request includes operational costs, training, and staff support to achieve and maintain existing and future accreditations.

CANNABIS REGULATION ACT (CRA) (\$200,000)

NMDA Metrology laboratory expects a significant number of weight scales to be added to their statutorily directed duties for annual testing. The scales used in the cannabis retail business include high precision Class II scales (.01 gram sensitive) requiring additional time by staff to certify additional training. The department estimates the addition of two FTEs and support (\$150,000 annually). NMDA's laboratory involvement in testing pre- and post-flowering cannabis for pesticide residues, and testing cannabis seed for compliance with state statutes remains unresolved. In the event that the issue is resolved, NMDA estimates testing for pesticide residues in pre-flowering and post-flowering cannabis and seed testing may increase the department's annual laboratory expenses \$50,000 for non-fee based regulatory services.

FOOD AND HUNGER INITIATIVE (\$2,816,800) FUNDED THROUGH NM DEPT. OF FINANCE & ADMINISTRATION

Double Up Food Bucks - expansion of 2-for-1 SNAP incentive for local produce - \$700,000.

Healthy Soil Program - expansion of funding program for New Mexico farmers and ranchers and building capacity of eligible entities such as pueblos, tribes, and nations; land grants; acequias; soil and water conservation districts; and NMSU's Cooperative Extension Service - \$1,000,000.

Farm to Foodbank/Gleaning Program - new competitive grant for producers, food businesses, ranchers, and hunger relief organizations working to eliminate food waste on farms - \$500,000.

Agricultural Workforce Development Act - expansion of on-farm internship and workforce development efforts for the agricultural sector - \$250,000.

Approved Supplier Program Support - food safety certification support and technical assistance for farmers and ranchers (contract/flow through) - \$200,000.

2 FTE Support for funding (including fringe) - \$166,800.

CAPITAL OUTLAY (\$17,500,000) PHASE 3-NMDA BUILDING #330 REPLACEMENT

Abate and demolish existing facility, and construct a new facility to meet space needs from 2021 space needs assessment and programming evaluation.

