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FISCAL IMPACT REPORT

SPONSOR Chasey **ORIGINAL DATE** 02/28/15
LAST UPDATED 03/02/15 **HB** 410

SHORT TITLE No Slaughter or Transfer of Horses for Food **SB** _____

ANALYST Sanogo

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|---------|------------------------------|------------------|
| FY15 | FY16 | | |
| | \$100.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY15 | FY16 | FY17 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|------|---------|---------|----------------------|------------------------------|------------------|
| Total | | \$100.0 | \$100.0 | \$200.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
 US Department of Agriculture (USDA)
 NM Livestock Board (NMLB)

SUMMARY

Synopsis of Bill

HB 410 proposes to prohibit the slaughter of horses if it is known, or should be known, that the horse meat will be used for human consumption. The bill would also prohibit the possession, sale, transfer or transportation of horse meat if it is known, or should be known, that the horse meat will be used for human consumption.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in HB 410 is a recurring expense to the general fund. The funds are appropriated to the NM Livestock Board (NMLB) for the purpose of enforcing the provisions in law regulating the transport of horses for slaughter for human consumption. Any unexpended or unencumbered balance remaining at the end of fiscal year shall revert to the general fund.

SIGNIFICANT ISSUES

In 2005, the US Congress effectively banned commercial horse slaughter in the United States by removing USDA funding for horse slaughterhouse inspections. Funding was reinstated in 2011, and in August 2013, the USDA approved an application for Valley Meat Co. in Roswell, NM to process and produce horse meat. Similar applications were also approved in Iowa and Missouri.

However, a 2014 federal spending bill removed USDA funding for horse slaughterhouse inspections, effectively stopping all horse meat producers in the United States from operating. This effective ban will last through 2016.

The NM Livestock Board (NMLB) states that the \$100 thousand appropriation would be insufficient to even attempt to enforce the provisions of HB 410. The agency reports:

NMLB does not have the authority or capability to determine the intended use of livestock passing through or leaving the state, making it impossible for NMLB law enforcement inspectors to either identify or prosecute those individuals transporting horses destined for slaughter for human consumption. The NMLB has concerns about how this law would interfere with both Interstate and International commerce...once horses have passed through New Mexico, the prosecution of the person transporting meat derived from said horses would likely be in conflict with the Interstate Commerce Clause of the US Constitution.

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