

HOUSE BILL 243

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

## INTRODUCED BY

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## AN ACT

RELATING TO EQUINES; AMENDING PROVISIONS RELATING TO THE EQUINE  
SHELTER RESCUE FUND; ESTABLISHING THE EQUINE WELFARE TRUST  
FUND; MAKING A TRANSFER FROM THE GENERAL FUND TO THE EQUINE  
WELFARE TRUST FUND; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**SECTION 1.** Section 77-2-32 NMSA 1978 (being Laws 2013, Chapter 49, Section 1, as amended) is amended to read:

"77-2-32. EQUINE SHELTER RESCUE FUND--CREATED.--

A. The "equine shelter rescue fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and amounts designated pursuant to Section 7-2-30.7 NMSA 1978.

[The board shall administer the fund, and] Money in the fund is appropriated to the board of regents of New Mexico state

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1 university for expenditure by the New Mexico department of  
2 agriculture to carry out the intent of aiding equine [rescues]  
3 rescue or retirement facilities and [homeless] equines that are  
4 surrendered, transferred by the board or law enforcement or  
5 otherwise acquired for purposes of rescue or sanctuary in the  
6 state, including:

7                   (1) providing shelter or placement based on  
8 capacity;

9                   (2) contracting with or employing equine  
10 trainers;

11                   (3) providing feed and pasture to maintain  
12 equines;

13                   (4) providing for basic and emergency  
14 veterinary care or husbandry, including sterilization,  
15 fertility control or hoof care;

16                   (5) administering adoption programs and  
17 services; and

18                   (6) paying the costs of administering the fund  
19 in an amount not to exceed five percent of the annual  
20 distributions from the fund.

21                   [B. The board shall establish by rule the

22 distribution of funds from the equine shelter rescue fund to

23 equine rescue and retirement facilities registered by the board

24 pursuant to Section 77-2-30 NMSA 1978, taking into

25 consideration the number of equines being cared for in each

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1 facility and the need of each facility.]

2           B. The New Mexico department of agriculture shall  
3           administer the fund, solicit applications for contracts from  
4           eligible applicants for disbursements and make disbursements of  
5           the available funds to eligible applicants that meet funding  
6           criteria on an annual basis.

7           C. To receive a contract for services, an applicant  
8           shall apply to the New Mexico department of agriculture on  
9           forms and in a manner prescribed by the department. An  
10          application shall include:

11            (1) a description of the proposed services or  
12           project for which the applicant is seeking funds via a contract  
13           agreement;

14            (2) a demonstration that the proposed services  
15           or project will meet one or more of the purposes provided in  
16           Subsection A of this section; and

17            (3) details and specifics as to the reasonable  
18           expected costs and the time frame of the proposed project or  
19           services.

20           D. To be eligible to receive funds from the fund,  
21           an applicant shall:

22            (1) be a registered equine rescue or  
23           retirement facility in accordance with Section 77-2-30 NMSA  
24           1978;

25            (2) be in good standing with the board and in

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1 compliance with Section 77-2-31 NMSA 1978;  
2 (3) if the applicant is a private  
3 organization, be a tax-exempt organization pursuant to Section  
4 501(c)(3) of the federal Internal Revenue Code of 1986;  
5 (4) adhere to American association of equine  
6 practitioners guidelines pursuant to rules promulgated by the  
7 board; and  
8 (5) not be intentionally breeding equines.

9 E. Beginning October 1, 2028 and each October 1  
10 thereafter, the New Mexico department of agriculture shall  
11 submit a report to the legislative finance committee that shall  
12 include the following:

13 (1) the amount of each funded contract;  
14 (2) a description of each contract;  
15 (3) the name of each funded contractor;  
16 (4) how much funding the contracting entity  
17 has expended;  
18 (5) the progress or completion of the  
19 contract;  
20 (6) how the contract supports equine welfare;  
21 (7) an explanation for why any money remaining  
22 in the fund was not disbursed to eligible entities;  
23 (8) the number of proposed contracts, and  
24 their costs, that were approved for but did not receive funding  
25 due to the insufficiency of available funds in the fund; and

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(9) the total amount of administrative costs incurred by the New Mexico department of agriculture to administer the fund."

**SECTION 2. [NEW MATERIAL] EQUINE WELFARE TRUST FUND.--**

A. The "equine welfare trust fund" is created as a nonreverting fund in the state treasury. The fund consists of distributions, appropriations, gifts, grants and donations. Income from investment of the fund shall be credited to the fund. Money in the fund shall be expended only as provided in this section.

B. The state investment officer, subject to the approval of the state investment council, shall invest money in the equine welfare trust fund:

(1) in accordance with the prudent investor rule set forth in the Uniform Prudent Investor Act; and

(2) in consultation with the director of the New Mexico department of agriculture.

C. The state investment officer shall report quarterly to the legislative finance committee and the state investment council on the investments made pursuant to this section. Annually, a report shall be submitted no later than October 1 each year to the legislative finance committee, the revenue stabilization and tax policy committee and any other appropriate interim committees.

D. On July 1, 2027 and each July 1 thereafter, a

1 distribution shall be made from the equine welfare trust fund  
2 to the equine shelter rescue fund in an amount equal to four  
3 percent of the average of the year-end market values of the  
4 trust fund for the immediately preceding three calendar years.  
5 If, on July 1 of a year, the trust fund has been in effect for  
6 less than three calendar years, the distribution shall be in an  
7 amount equal to four percent of the average of the year-end  
8 market values of the trust fund for the immediately preceding  
9 number of calendar years that the trust fund has been in  
10 effect.

11 **SECTION 3. TRANSFER.**--Five million dollars (\$5,000,000)  
12 is transferred from the general fund to the equine welfare  
13 trust fund.

14 **SECTION 4. APPROPRIATION.**--Five hundred thousand dollars  
15 (\$500,000) is appropriated from the general fund to the equine  
16 shelter rescue fund for expenditure in fiscal year 2027 and  
17 subsequent fiscal years. Any unexpended balance remaining at  
18 the end of a fiscal year shall not revert to the general fund.

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