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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 177

SHORT TITLE: Veteran Service Animal Services & Shelter

SPONSOR: Martinez, A/Duncan/Dow

LAST UPDATE: _____ **ORIGINAL DATE:** 1/28/26 **ANALYST:** Hilla

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
\$150.0		Nonrecurring	General Fund

*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 56

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Board of Veterinary Medicine

Agency or Agencies That Were Asked for Analysis but did not Respond

Veterans' Services Department

SUMMARY

Synopsis of House Bill 177

House Bill 177 (HB177) appropriates \$150 thousand from the general fund to the Veterans' Services Department (VSD) for contractual services for the department to ensure safe, humane, and consistent care for service and companion animals. HB177's scope includes establishing kennels at facilities primarily housing veterans and providing companion animals that assist or benefit veterans' well-being.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

The appropriation of \$150 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY27 shall

revert to the general fund.

SIGNIFICANT ISSUES

There are various facilities in the state that primarily house veterans, such as the long-term care New Mexico State Veterans' Home in Truth or Consequences, which is run by the Department of Health. There are also other veterans housing centers across the state that allow service animals, such as the Veterans Integration Centers in Albuquerque which provides transitional housing for veterans for up to one year and allow service animals.

In a separate bill analysis also related to veterans, the Department of Health noted that, when examining surveillance data specific to unintentional and undetermined overdose deaths in state reporting systems, veterans showed higher evidence of mental health diagnoses compared to non-veterans (30.7 percent vs 21.6 percent). Of these mental health diagnoses, depression (30.0 percent) and post-traumatic stress disorder (PTSD) (27.5 percent), were the most common diagnoses among veterans.

The largest nationwide study comparing service dog partnerships with usual care alone included 156 military members and veterans diagnosed with PTSD. After three months, 81 participants who received service dogs reported significantly lower PTSD symptom severity, depression, and anxiety compared with the control group of 75 participants who were wait-listed for a service dog.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to House Bill 56 that appropriates funding to VSD for behavioral health services for veterans and their families.

EH/SEC/dw/ct