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FISCAL IMPACT REPORT

ORIGINAL DATE 1/24/06
 SPONSOR Garcia, M. LAST UPDATED 2/06/06 HB _____
 SHORT TITLE Animal Sheltering Services Act SB 122/aSJC/aSFC
 ANALYST McSherry

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Senate Bill 122 is a Companion to House Bill 227.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY06	FY07	FY08	Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$250.0	\$250.0	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Board of Veterinary Medicine (NMBOVM)

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SFC Amendment

The Senate Finance Committee amendment:

- Strikes the SJC amendment to appropriate \$100 thousand for the purpose of providing for “Animal Sheltering Services Act” provisions.
- Creates a continuous appropriation of all fees received pursuant to the Act to the board, subject to the appropriation of the legislature.
- Limits euthanasia provider license fees to \$50.0 dollars
- Permits licensing to euthanasia provider without examination or a certificate of completion in a training course in euthanasia to assistant veterinarians.

Synopsis of SJC Amendment

The Senate Judiciary Committee amendment to Senate Bill 122 “Animal Sheltering Services Act,” appropriates \$100,000 from the general fund to the Regulation and Licensing Department for the purpose of carrying out the provisions of the “Animal Sheltering Services Act.”

Synopsis of Original Bill

Senate Bill 122 proposes to create the “Animal Sheltering Services Act”

The proposed Act would:

- Establish licensing procedures for euthanasia providers and euthanasia agencies;
- Create certification procedures for euthanasia instructors;
- Create a nine-member Animal Sheltering Services Board administratively attached to the Regulations and Licensing Department
- Require the department to employ three employees including a veterinarian to operate daily board operations.
- Provide for board powers, duties, and penalties for violations of the act,
- Create an animal sheltering services fund.

The bill proposes that the board would promote safe and humane conditions for animals in animal shelters;

FISCAL IMPLICATIONS

The executive “special appropriations” recommendation includes a \$100,000 general fund appropriation contingent upon the enactment of this bill. This recommendation is not included in the current version of House Bill 2.

According to RLD, the proposed board could be partially staffed with a \$100,000 appropriation, however RLD further asserts that in order to make the Board fully operational in subsequent years, a \$250,000 appropriation would have to be considered for the Board. \$250 thousand would fund a board administrator, compliance officer and veterinarian. The estimated additional operating expenses above is based on the \$250 thousand impact estimated by RLD to staff and administrate the proposed board.

The costs required to help shelters “defray the cost of implementing the board’s initiatives,” permitted as a use of board funds, could be extremely high. This level of permitted us would depending upon the initiatives adopted by the board and the current status of the state’s shelters.

The Animal Sheltering Services Board would not be self-sufficient but would rather require general fund appropriations in order to function. This situation would be unlike other boards with administrative attachment to the Regulations and Licensing Department, all of which are self-sufficient.

The bill allows the Board to attempt to collect funding through private sources such as gifts, grants, donations and bequests.

The bill authorizes the board to collect up to \$500 dollars in administrative penalty for acts which violate the proposed animal sheltering services act.

Continuing Appropriations

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

The proposed act **REQUIRES** the Regulation and Licensing Department to employ at a minimum, three employees, including a veterinarian to carry out the daily operations of the board. The \$100 thousand proposed as an appropriation in the executive “special appropriations” recommendation, and not included in this bill, would not be sufficient to employ the three staff proposed by the department (administrator, veterinarian, compliance officer).

RLD is not required to employ staff for any other board to which it has administrative attachment. This act would place the Department in violation of the act whenever an administrator vacancy for the board occurs.

The proposed act would allow funds collected by the board to be used to help shelters “defray the cost of implementing the board’s initiatives.”

According to NMBOVM, the proposed animal sheltering act would provide needed oversight of the state’s shelters and shelters under state/municipal contract. The Board asserts that there is disparity in sheltering facilities statewide. The Board believes this bill will allow for better standards and accountability for providing euthanasia at the shelters.

The proposed board would not generate its own operating funds through licensing fees as do all other professional boards and commissions, both independent and administratively attached to the Regulation and Licensing Department.

PERFORMANCE IMPLICATIONS

The proposed board could potentially lead to safer shelters for animals and a more regulated shelter system in New Mexico.

The adoption of certification and licensing for euthanasia providers could result in shelter operations becoming more costly and in local government difficulty to maintain funding of operations.

The administration by RLD for this, unfunded, board would result in the other professional boards and commission’s subsidizing the “Animal Sheltering Services” operating expenses unless the board makes substantial revenue or donations from non-state sources.

The creation of an animal sheltering services board in the boards and commissions program of the Regulation and Licensing Department would set a precedent for non-self sufficient professional licensing and certifications.

ADMINISTRATIVE IMPLICATIONS

The Animal Sheltering Services Board would be administratively attached to, and operate under the Regulation and Licensing Department. The Department currently provides administrative services for 29 boards and commissions. All other boards and commissions are self-sustaining and are funded with licensing and certification fees from their respective professions.

The Board would be charged overhead costs through the Boards and Commissions division of RLD for administrative support such as human resources services, all technology, fiscal operations and supplies.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 122 is a companion bill to House Bill 227.

OTHER SUBSTANTIVE ISSUES

Under the proposed act, the department would be required to employ three employees for the operations of the board regardless of funds available.

According to RLD, this legislation pertains to “Front End Regulation,” and the standards and ideals that support the health, safety and welfare of people and animals through education, assistance and training. RLD contends that the goal of Front End Regulation is to educate not penalize.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If Senate Bill 122, or its counterpart, were not passed, a state board for oversight of sheltering services would not be created. The current status would be maintained.

POSSIBLE QUESTIONS

1. What would the animal sheltering services act provide for if a shelter and its management continually make offenses under the proposed act? At what point could a shelter be closed?
2. Are the practices of providing unsafe, unhealthy living conditions, and the improper practice of euthanasia not included in “cruelty to animals” statutes already in existence?
3. How would RLD fund the bill’s proposed required personnel and required RLD overhead charges for administrative support and supplies without an appropriation?
4. What is the annual estimated collections of gifts, grants, donations, etc that the board would receive? Would these funds be used to “defray the cost of implementing the board’s initiatives?”

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