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## FISCAL IMPACT REPORT

**BILL NUMBER:** House Bill 315

**SHORT TITLE:** Livestock Code Changes & Horses

**SPONSOR:** McQueen

**LAST ORIGINAL**  
**UPDATE:** \_\_\_\_\_ **DATE:** 02/08/2026 **ANALYST:** Sanchez

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\*

(dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Livestock Board	No fiscal impact	\$15,000.0	\$11,000.0	\$25,000.0	Nonrecurring	General Fund
Livestock Board	No fiscal impact	No fiscal impact	\$3,200.0	\$3,200.0	Recurring	General Fund
Total	No fiscal impact	\$15,000.0	\$14,200.0	\$29,200.0		General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

#### Agency or Agencies Providing Analysis

Administrative Office of the Courts  
 New Mexico Livestock Board  
 State Land Office  
 Department of Public Safety

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

Energy, Minerals and Natural Resources Department  
 Department of Finance and Administration  
 Department of Game and Fish

## SUMMARY

### Synopsis of House Bill 315

House Bill 315 (HB315) proposes revisions to the portion of Chapter 77 NMSA 1978 (the Livestock Code) governing free-roaming horses by amending multiple sections and by repealing and reenacting provisions related to free-roaming horse management. HB315 first seeks to amend Section 77-2-1.1 NMSA 1978 to revise definitions applicable to the Livestock Code by expressly excluding “free-roaming horses” from the definition of “animals” or “livestock,” and by adding or clarifying definitions for terms such as “free-roaming horse,” “fertility control,” “free-roaming horse expert,” “humane capture,” “humane euthanasia,” “adoption,” and “carrying capacity,” thereby distinguishing free-roaming horses from stray or privately owned equines and establishing terminology used throughout the act. HB315 next amends Section 77-2-30 NMSA 1978, governing equine rescue or retirement facilities, to revise the scope of facilities

subject to registration, update the New Mexico Livestock Board's (NMLB) authority to promulgate rules for facility standards, inspections, and humane care requirements, authorize the board to impose civil fines for violations, and adjust fee structures, with all collected fees deposited into the livestock board general fund for administration and enforcement purposes.

HB315 further enacts a new section within the Livestock Code establishing a regulatory framework for "free-roaming horse experts." Under this new section, a person may not provide free-roaming horse or herd management services, administer fertility control, or capture free-roaming horses for relocation unless registered and approved by the NMLB. HB315 directs the board to promulgate rules governing minimum qualifications, approval, registration, renewal, and revocation of free-roaming horse experts, including demonstrated expertise in herd surveys, land ownership determination, carrying capacity analysis, and free-roaming horse biology, behavior, and population dynamics. The board is authorized to charge initial and annual registration fees, to impose civil fines of up to \$1,000 per violation for noncompliance, and to revoke registration for failure to comply with statutory or regulatory requirements.

HB315 repeals Section 77-18-5 NMSA 1978 and reenacts it as a new section titled "Free-Roaming Horses—Humane Management—Fertility Control—Prohibitions." This reenacted section authorizes state, county, or municipal governments to enter into agreements with registered free-roaming horse experts to conduct herd surveys, assess land carrying capacity, and implement management activities when horse populations exceed that capacity, subject to landowner approval. Authorized management methods include fertility control through immunocontraception or castration, humane capture and relocation to registered equine rescue or retirement facilities, or to other lands with sufficient carrying capacity and landowner consent, adoption through qualified facilities, and humane euthanasia when a licensed New Mexico veterinarian determines a horse suffers from an untreatable medical condition that significantly affects quality of life. HB315 requires horses relocated to rescue or retirement facilities to be microchipped or freeze-branded for identification, restricts experts from entering private, state, federal, or tribal lands without appropriate permission, and explicitly preserves the authority of federal agencies to manage horses on federal lands in accordance with federal law.

Finally, HB315 establishes a statewide prohibition on the slaughter of free-roaming horses or their sale, transport, export, or release for slaughter. It prohibits the release of adopted or rescued free-roaming horses back into the wild. A violation of this prohibition constitutes a misdemeanor pursuant to Section 31-19-1 NMSA 1978, with each horse involved constituting a separate offense. Collectively, HB315 restructures the legal treatment of free-roaming horses in New Mexico by separating them from traditional livestock regulation, centralizing oversight authority in the NMLB, authorizing nonlethal herd management strategies, and creating criminal and civil enforcement mechanisms to support humane management objectives.

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**

HB315 has fiscal implications primarily for NMLB, which would be responsible for implementing the bill's new regulatory, administrative, and enforcement functions. According to NMLB, the bill would not require direct appropriation but would generate one-time, nonrecurring costs and limited recurring costs associated with implementation. Nonrecurring

costs are estimated to include expenditures for developing qualification standards for free-roaming horse experts, conducting rulemaking, supporting board and committee meetings, and establishing a licensing database. NMLB estimates these costs at approximately \$25 million over multiple fiscal years. In addition, NMLB anticipates recurring costs of roughly \$3.2 million per year to maintain the licensing database and conduct annual reviews of registered free-roaming horse experts. While the bill authorizes NMLB to charge registration fees and impose civil fines, the agency indicates any revenue generated is expected to be minimal and insufficient to offset implementation costs.

HB315 may also have indeterminate fiscal and administrative impacts on other state entities, depending on whether they elect to participate in agreements authorized by the bill. The State Land Office (SLO) reports no direct appropriation or immediate fiscal impact but notes, because the bill would apply to state trust land if voluntary agreements are entered into, implementation could result in unknown, potentially recurring administrative and operational costs for the lands maintenance fund. These costs would depend on the scope and frequency of requested surveys or management actions, as well as the need for staff time to evaluate land use conflicts, existing leases, environmental conditions, and compliance with fiduciary responsibilities. As participation by SLO is voluntary under HB315, the timing and magnitude of any fiscal impact cannot be reliably estimated.

Other reviewing agencies report minimal or no fiscal impact. The Administrative Office of the Courts indicates the misdemeanor penalty created by HB315 is not expected to have a fiscal or administrative impact on the court system. The Department of Public Safety reports no fiscal impact, noting enforcement authority under the Livestock Code rests with NMLB rather than with state police, and the bill does not assign new duties to the department. While HB315 establishes new criminal penalties and regulatory requirements, any broader fiscal impacts related to enforcement, compliance monitoring, or local government participation would depend on future implementation decisions and the extent to which state, county, or municipal governments choose to enter into agreements authorized by the bill.

Finally, HB315 creates a new criminal offense by prohibiting the knowing slaughter of a free-roaming horse, the sale or transport of a free-roaming horse for slaughter, or the release of a free-roaming horse from an equine rescue, retirement facility, or adoptive home into the wild, with violations classified as misdemeanors and sentenced pursuant to Section 31-19-1 NMSA 1978. Because the offense is a misdemeanor rather than a felony, any resulting incarceration is expected to occur primarily in county jails rather than in state correctional facilities. Therefore, potential incarceration-related costs would most likely accrue to counties rather than to the Corrections Department, although impacts to the state system could occur in limited circumstances. The number of individuals who may be charged, convicted, or sentenced under this new offense cannot be reliably estimated, and any fiscal impacts associated with detention, prosecution, adjudication, or enforcement would depend on future enforcement practices and case volumes. Additional system costs beyond incarceration, such as impacts on law enforcement or the judicial branch, are not included in this analysis but could occur to the extent the new offense is enforced.

## **SIGNIFICANT ISSUES**

HB315 represents a significant shift in how free-roaming horses are treated under state law by removing them from the traditional livestock framework and establishing a separate regulatory

structure centered on registration, rulemaking, and oversight by NMLB. This transition places significant discretion with NMLB to define qualifications for free-roaming horse experts, establish facility standards, and determine compliance through rulemaking, which may result in key policy details being resolved administratively rather than in statute. The scope and consistency of implementation may, therefore, depend on the timing, content, and enforcement of future rules.

HB315 also alters the application of state law to land ownership and management by extending its framework to state trust land and requiring landowner approval before any survey or management activity occurs. Although participation by state, county, and municipal governments is voluntary, the bill may introduce coordination challenges among landowners, lessees, local governments, and registered experts, particularly where multiple land uses, existing leases, or environmental considerations overlap. The bill preserves federal and tribal authority over horses on their respective lands, which may result in differing management approaches across jurisdictions and potentially fragmented outcomes depending on land ownership patterns.

Additionally, HB315 repeals and replaces existing statutory language governing free-roaming horses, including provisions that previously distinguished Spanish colonial horses and required genetic testing. While this simplifies the statutory framework, it also removes distinctions that have been the subject of prior litigation and policy debate, which may affect how disputes are evaluated going forward. Overall, while the bill establishes enforcement mechanisms and penalties, primary enforcement authority remains with NMLB livestock inspectors, and it does not specify reporting requirements, performance measures, or statewide coordination mechanisms, leaving open questions about how outcomes related to population management, animal welfare, and land impacts will be monitored over time.

## **PERFORMANCE IMPLICATIONS**

NMLB states implementing the bill would require creating and managing a new registration and oversight system for free-roaming horse experts and equine rescue or retirement facilities. While the bill does not set specific performance measures, NMLB expects to monitor how well qualifications, standards, and rules are followed, including regular reviews of registered experts. Therefore, the agency's performance would depend on how quickly and effectively rules are made, registrations are handled, and compliance is checked.

## **TECHNICAL ISSUES**

The State Land Office (SLO) notes HB315 requires free-roaming horse experts to obtain permission from the landowner or lessee of state land before entering that land. However, the analysis suggests the statute may benefit from greater specificity by requiring written permission from the Commissioner of Public Lands rather than from a lessee alone. The agency indicates, as drafted, this provision could create ambiguity about who has final authority to approve access to state trust land, which could complicate implementation and administration if agreements are pursued. SLO also notes, while HB315 requires identification, such as microchipping or freeze branding for horses relocated to equine rescue or retirement facilities, the bill does not expressly require similar identification for horses relocated to other lands with available carrying capacity, which could present challenges for tracking and accountability.

## OTHER SUBSTANTIVE ISSUES

HB315 places substantial responsibility for herd assessment and management decisions with registered free-roaming horse experts operating under agreements with state, county, or municipal authorities. While the bill establishes qualifications and registration requirements, it leaves the scope of expert discretion, the methodology for determining carrying capacity, and the prioritization of management actions largely to future rulemaking and contractual arrangements. Consequently, outcomes may vary depending on how these determinations are developed and applied across regions with varying land ownership patterns and resource conditions.

The bill also relies on a voluntary, agreement-based framework to initiate surveys and management activities, which may result in uneven implementation statewide. In jurisdictions where state, county, or municipal authorities choose not to enter into agreements, or where landowners decline to participate, free-roaming horse populations may remain unmanaged under this statutory structure, while other areas pursue active management. This approach differs from earlier proposals that contemplated more centralized or uniform mechanisms and may affect consistency in how free-roaming horse issues are addressed across the state.

Another consideration relates to the long-term disposition and monitoring of horses removed from the landscape. Although HB315 prohibits the release of adopted or relocated free-roaming horses back into the wild, it does not address potential capacity limitations at equine rescue, retirement, or relocation sites beyond initial carrying capacity determinations. If placement demand exceeds available capacity over time, questions may arise about how management entities and registered experts operate within the statutory tools provided.

Separately, while HB315 expressly preserves federal and tribal authority and limits its application to non-federal, non-tribal lands, free-roaming horse populations often cross jurisdictional boundaries. Differing legal frameworks and management practices across state, federal, tribal, and private lands may complicate coordination and influence the effectiveness of population management efforts over the long term.

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