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FISCAL IMPACT REPORT

SPONSOR	House Appropriations and Finance Committee	LAST UPDATED	
		ORIGINAL DATE	3/7/2025
		BILL	CS/House Bill
		NUMBER	113/aHGEIC/ HAFCS
SHORT TITLE	Animal Welfare Program and Trust Fund		
		ANALYST	Gray

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DFA	No fiscal impact	\$109.1	\$109.1	\$218.2	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From

State Investment Council (SIC)

New Mexico Livestock Board

Department of Finance and Administration (DFA)

State Treasurer's Office (STO)

SUMMARY

Synopsis of HAFCS Substitute for House Bill 113

The House Appropriations and Finance Committee substitute for House Bill 113 (HB113) creates the Animal Welfare Program within the Department of Finance and Administration (DFA) to provide funding for the support the welfare of domestic cats and dogs, including grants to repair, renovate, or operate public owned animal shelters, control loose or stray cats and dogs, reduce animal shelter intake, provide spay and neuter services, or improve the enforcement of animal cruelty laws. The bill also creates the animal welfare program fund, administered by DFA, to provide funds to support the Animal Welfare Program

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The HAFCS substitute for House Bill 2 contains a \$7 million nonrecurring appropriation for the animal welfare trust fund contingent on enactment of HB113 or similar legislation.

Establishing a new program could create expectations that obligate future appropriations. The \$7 million nonrecurring appropriation may be insufficient to cover the expansion of state government services as contemplated by HB113. This analysis cautions that while HB113 does not have a recurring cost, the fund may require future appropriations depending on the costs of this newly created budget obligation.

DFA reports recurring costs of \$109.1 thousand to administer the program.

SIGNIFICANT ISSUES

The House Appropriations and Finance Committee substitute for House Bill 2 contains a \$7 million nonrecurring appropriation for the animal welfare trust fund. HB113 does not create the “animal welfare trust fund” and instead creates the “animal welfare program fund.” The introduced version of HB113 created the trust fund, but that provision was stripped in the substituted version. This may need to be amended in subsequent versions of the 2025 General Appropriation Act to ensure it is administrable.

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