

LFC Requester:	Hilla, Emily
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 01/17/2025 *Check all that apply:*
Bill Number: HB113 Original Correction
 Amendment Substitute

Sponsor: Tara L. Lujan **Agency Name and Code:** NMSTO 39400
Short Title: ANIMAL WELFARE PROGRAM AND TRUST **Number:** _____
Person Writing: Dominic Chavez
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	10,000	Nonrecurring	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

HB113 created the animal welfare program. The bill would allow for DFA award grants to a municipality or county, contract for services for a project to repair, renovate or operate an animal shelter and to purchase equipment and supplies to provide various animal welfare services. The bill requires DFA to promulgate rules to administer the animal welfare program and submit a report to the LFC on October 1, 2028 and each subsequent year.

HB115 creates the animal welfare trust fund which as written would be overseen by SIC in consultation with DFA. The bill requires the state investment officer to submit quarterly reports to LFC and SIC on investments made relating to the animal welfare trust fund. The bill also creates the animal welfare program fund. On July 1, 2028 and each subsequent July 1, the bill requires a distribution of five percent of the average of the year-end market values of the trust fund for the immediately preceding three calendar years.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

As written, the legislation would direct funds to be invested by the State Investment Officer in consultation with the department of finance and administration. STO believes that the funds should be managed at STO and not SIC. Having a separate fund to be managed, of only \$10MM, is not the best use of SIC resources. SIC is intended for larger trusts with opportunity for more risk and not a small account that is for short term investing. STO can manage the funds in an interest bearing account if the legislature desires.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

By itself, the creation of a new fund in the state treasury does not have a direct fiscal impact on STO. However, in the aggregate, the creation of many new funds within the state treasury does increase the workload of STO staff. Timing, collaboration, and communication between agencies and STO is critical when transferring or wiring funds.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL
AMENDMENTS**