F I S C A L   I M P A C T   R E P O R T

	ORIGINAL DATE	01/30/14	
SPONSOR Thomson	**LAST UPDATED**		**HB** 121
SHORT TITLE Prohibit Slaughter of Horses		**SB**	
		ANALYST	Martinez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	**FY15**		
	$100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to, HB119, and HB120

SOURCES OF INFORMATION
LFC Files

New Mexico Livestock Board (NMLB)

SUMMARY

Synopsis of Bill

House Bill 121 creates a new section of the New Mexico Statutes Annotated 1978 making it a misdemeanor to slaughter or transport horses intended for slaughter for human consumption. To administer, HB121 appropriates the New Mexico Livestock Board $100 thousand dollars from the General Fund.

FISCAL IMPLICATIONS

The appropriation of $100 thousand contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY15 shall revert to the General Fund.

SIGNIFICANT ISSUES

NMLB does not have the authority or capability to determine the intended use of livestock passing through or leaving the state, making it difficult for NMLB law enforcement inspectors to identify and prosecute those individuals transporting horses destined for slaughter for human consumption. The NMLB has concerns about how this law would interfere with interstate commerce. The board states that once the horses have passed through New Mexico, the prosecution of the person transporting the meat would likely be in conflict with the Interstate Commerce Clause of the US constitution.

In a related bill the Attorney General's Office writes:

- In 2007 horse slaughter became illegal because of a federal act that de-funded horse meat inspection programs. In November 2011, a small group of federal congressmen added horse meat inspections funding to another funding bill. That addition permitted horse slaughter operations to begin or resume. As of January 2014, the federal horse meat inspection program was once again de-funded. As a result, horse slaughter for human consumption is no longer legal under federal regulations.

- In 2013, New Mexico Attorney General Gary King filed suit for a temporary restraining order against Valley Meat to prevent the company from slaughtering horses. The suit identified numerous health and safety issues pertaining to adulterated meat and environmental hazards. The New Mexico District Court, D-101-CV-2013-03197, (Santa Fe District Judge Mathew Wilson) issued a preliminary injunction in favor of the State of New Mexico on Jan 17, 2014.

- Without federal inspections, there is no guarantee that that horse meat will be fit for human consumption. Horses are commonly prescribed over 150 drugs that may remain in the meat and may not be healthy for humans. (See court order, p. 6). As articulated by the Attorney General, New Mexico has the legal and moral obligations to prevent adulterated meat from being distributed to anybody, not just residents of New Mexico.

In a related bill (HB120), the Administrative Office of the Courts states there will be minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the enforcement of this law and commenced prosecutions. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

CONFLICT

Potential conflict with the federal government may occur as the Unites States Department of Agriculture oversees the inspection of any meat.

RM/jl