

**LFC Requester:****Helen Gaussoin****AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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** 2/16/25 *Check all that apply:*  
**Prepared:**  
**Bill** SB 264 Original  Correct  
**Number:** \_\_\_\_\_ ion \_\_\_\_\_  
 Amend \_\_\_\_\_  
 Substit \_\_\_\_\_  
 ute \_\_\_\_\_

**Sponsor:** George Muñoz **Agency Name and Code**  
**Number:** NMDA - 199  
**Person Writing Analysis:** Jeff Witte  
**Short Title:** Administrative Fee Changes **Phone:** 575-294-3817 **Email:** Jheitz@nmda.nm su.edu

**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	N/A		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$1,472	\$1,472	\$1,472	recurring	Spay and neuter subaccount
\$58	\$58	\$58	recurring	NMDA spay and neuter program fee

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	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**

Synopsis:

Senate Bill 264 is related to administrative fees. It amends certain New Mexico department of game and fish licensing fees, allows the state game commission to increase fees; provides a discount on fees for residents who receive Supplemental Nutrition Assistance Program benefits; increases fees to fund the Workers’ Compensation Administration; changes the basis of certain fees collected by the New Mexico environment department and the Environmental Improvement Board; extends the sunset date of 76-19A-10.1 the spay and neuter program fee; repeals certain laws and makes appropriations.

The only impact to the New Mexico department of agriculture (NMDA) is the extension of the sunset date for the spay and neuter program fee.

**FISCAL IMPLICATIONS**

In 2024 there were 15,339 pet food products registered with the NMDA. Using this number, it is estimated that the spay and neuter program fee will generate one million five hundred thirty-three thousand nine hundred dollars (\$1,533,900) (annually).

The statewide spay and neuter subaccount receives ninety six percent (96%) of the spay and neuter program fee collected by the NMDA. The spay and neuter subaccount will receive an estimated one million four hundred seventy-two thousand five hundred and forty-four dollars (\$1,472,544)

The NMDA receives four percent (4%) of the spay and neuter program fee to administer the Commercial Feed Act. New Mexico State University (NMSU) takes 5% for institutional support on all fees and general fund revenue at NMDA. The NMDA will receive fifty-eight thousand two hundred and ninety dollars (\$58,290)

The estimated total revenue generated at the sunset date of July 1, 2031, is nine million two hundred and three thousand four hundred dollars (\$9,203,400)

**SIGNIFICANT ISSUES**

SB 264 extends the sunset of Section 76-19A10.1 Spay and Neuter Program Fees from July 1, 2026, to July 1, 2031. It mandates that NMDA will collect the spay and neuter program fee, in addition to the registration and inspection fee on each brand of pet food registered with the NMDA. Ninety six percent (96%) of the spay and neuter program fee shall be deposited with the state

treasurer and credited to the statewide spay and neuter subaccount of the animal care and facility fund, the remaining four percent (4%) shall be distributed to NMDA to administer the Commercial Feed Act. This act went into effect July 1, 2020.

Currently, all New Mexico manufacturers are exempt from the spay and neuter program fee. Manufacturers must submit an attestation annually or at the time of registration (new manufacturers) to qualify for an exemption.

#### **PERFORMANCE IMPLICATION**

There would be no additional performance implications to NMDA as this bill increases the length the existing spay and neuter program is in effect, not a new program.

#### **ADMINISTRATIVE IMPLICATIONS**

N/A

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

N/A

#### **TECHNICAL ISSUES**

N/A

#### **OTHER SUBSTANTIVE ISSUES**

76-19A10.1 (NMSA) is currently in litigation. A decision on the Complaint for Declaratory Judgement and Injunctive Relief has yet to be reached.

#### **ALTERNATIVES**

N/A

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

Section 76-19A-10.1 of the Commercial Feed Act will sunset on July 1, 2026.

#### **AMENDMENTS**

N/A