

FEASIBILITY STUDY:

Creating a Fund to Aid Low-Income Households in Sterilizing, Vaccinating and Spaying or Neutering their Companion Animals

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EXECUTIVE SUMMARY

- I. New Mexico's Euthanasia Agencies (most animal shelters):
 - Took in 118,000 homeless cats and dogs in 2011;
 - Euthanized 55,000 of them, primarily because there were too many cats and dogs and not enough homes; and,
 - Have a total budget of about \$27 million/year.

- II. Solving shelter overpopulation in New Mexico will require:
 - Providing financial assistance to low-income households to have their companion animals spayed and neutered;
 - Funding of about \$2-2.5 million a year for at least five years;
 - Including a public education campaign about spay/neuter, especially that it is better to spay/neuter before any litters are born; and,
 - A leader to serve as the organizer and general manager of a statewide spay/neuter program that provides the financial assistance.

- III. Successful spay/neuter programs can save money for the state and its animal welfare nonprofit organizations by:
 - Reducing the \$225/animal that euthanasia agencies currently spend, even on animals who are ultimately euthanized;
 - Giving shelters the breathing room to become more effective at their other programs and improving the welfare of cats and dogs in the state; and,
 - Saving money for low-income households: it is less expensive to spay/neuter a cat or dog than to raise and care for the unplanned litters of the kittens and puppies for a year.

- IV. Additional reasons to spay and neuter dogs and cats:
 - Intact dogs are responsible for more bite incidents;
 - Animal control expend more resources on intact dogs and cats because they roam more; and,
 - Animal shelters spend more on intact dogs and cats because they are homeless and because they are relinquished for behavioral problems.

- V. One potential funding mechanism stands out above the others. It is:
 - A spay/neuter fee that is added onto the current inspection fees on pet foods under the commercial feed registration and inspection program run by the NMDA;
 - Equitable because pet owners, not the general public, pay;
 - Affordable at about \$1/month per customer;
 - Reliable and steady; and,
 - Is very likely to generate sufficient revenue for the needed spay/neuter assistance program for low-income households.

INTRODUCTION

Each year Euthanasia Agencies¹ in New Mexico euthanize more than 55,000 cats and dogs. The agencies euthanize some of them for behavioral or health problems, but euthanize the majority because the agencies do not have enough space and resources to house and provide care for each animal until a permanent home is found (“shelter overpopulation”). Animal advocates recognize that spay/neuter programs for cats and dogs through which spay/neuter surgeries are offered at lower than normal cost, no cost, or are made available in locations that normally do not have access to spay/neuter services are the primary tool for eliminating shelter overpopulation. Animal welfare organizations and agencies in New Mexico have been attempting to solve the problem of shelter overpopulation for at least 10 years, and although they have made some progress, none have eliminated shelter overpopulation. One obstacle is that shelters and animal control agencies are so overwhelmed with the number of animals they take in that they are constantly operating in triage mode and cannot take the time to engage in long range planning. Another is that most organizations and agencies work locally and do not have a statewide perspective. As a statewide entity, the Animal Sheltering Board (“ASB” or “Board”) is in a good position to become the state’s leader in reducing shelter overpopulation through spay/neuter programs. However, the Board, the Euthanasia Agencies it regulates, and its supporters will need to develop a plan and implement a funding mechanism for a statewide spay/neuter program to be effective.

Senate Memorial 36 that was passed by the State Senate in the 2011 Regular Legislative Session directs the Animal Sheltering Board “to conduct a study to establish the feasibility of creating a fund to specifically aid low-income households in sterilizing, vaccinating and spaying or neutering their pets and to educate the public on the importance of spaying and neutering.” Senate Memorial 36 set the Board on course to develop a spay/neuter program plan and this study responds to that memorial.

The study will assess or present:

- the extent of the current cat and dog shelter overpopulation and resulting euthanasia in Euthanasia Agencies throughout New Mexico;
- the approximate Euthanasia Agency costs for sheltering cats and dogs, most of which are later euthanized;
- the approximate contribution of nonprofit animal welfare organizations to sheltering costs when Euthanasia Agencies transfer cats and dogs to other in-state animal welfare organizations that spend additional funds on sheltering the animals;
- the approximate costs currently spent on transporting cats and dogs out of state for adoption in states that are able to absorb some of New Mexico’s shelter cats and dogs;
- the capacity and accessibility of currently existing spay/neuter programs;
- whether additional spay/neuter programs are needed to eliminate shelter overpopulation;
- the costs of different types of spay/neuter programs and appropriateness for New Mexico’s different areas;

¹ Euthanasia agencies are defined in §77-1B-2(H) NMSA 1978. Essentially they are animal shelters that perform euthanasia.

- an analysis of the total funding needed to eliminate shelter overpopulation;
- the potential savings available to the state's euthanasia agencies and animal welfare nonprofit organizations by increasing spay/neuter and eliminating shelter overpopulation.
- potential funding mechanisms, such as a surcharge on animal cruelty fines and animal ordinance violations, an income tax or car registration check-off, a statewide intact animal or litter permit fee, a statewide companion animal licensing program, applying for grants from private foundations and a spay/neuter fee on pet food distribution.

This study assumes that basic vaccinations will be included with all spay/neuter programs discussed in this study. Vaccinations are not separately analyzed.

Although Senate Memorial 36 does not mention spay/neuter programs for free-roaming cat populations, the issue deserves consideration in the bigger picture because of the magnitude of the effect of free-roaming cats on shelter intake. This study will mention the issue from time to time.

RESULTS AND DISCUSSION

A Note of Caution: Because of the limited time and resources available to prepare this study and the lack of data at a number of Euthanasia Agencies, the results of data collection that are presented in this study are intended to give estimates of the problems and solutions and are not definitive. The data collection could and should go deeper if a funding mechanism is pursued.

1. **Extent of current cat and dog shelter overpopulation and resulting euthanasia in Euthanasia Agencies throughout New Mexico.**

The ASB surveyed the state's Euthanasia Agencies² (sometimes referred to as "animal shelters" or "shelters") in December of 2011. The Board received responses from 27 entities. The survey is attached as *Exhibit 1*. It asked the shelters to submit the data for four years (2008 – 2011 YTD) for intake, euthanasia, budget, animal cruelty cases and citations for animal ordinance violations. Not all shelters were able to identify all data requested. The results of the survey are provided in *Exhibit 2*. The survey also asked each shelter what the human population is for the shelter's jurisdiction. The results indicate that the shelters responding serve 2,014,557 people.³ The 2010 U.S. Census shows a New Mexico human population of 2,059,000. That means that the shelters responding to the survey cover roughly 98%⁴ of New Mexico's population and should give a fairly accurate picture of the state's shelter intake, euthanasia and funding.

The survey results show that in 2010, shelters took in 120,196 cats and dogs and euthanized 49% of them for a total of 58,878 cats and dogs euthanized. In 2011, the shelters will have taken in approximately 118,515 animals and will have euthanized 55,378, about 47%,⁵ or

² A number of animal welfare organizations and agencies that shelter animals do not perform euthanasia in-house and thus are not required to be licensed as Euthanasia Agencies. The ASB did not survey those agencies initially, but did so in a second round. The responses from that second round have not yet been received and thus their data are not included in this report. Those agencies are: City of Las Vegas Animal Shelter; Sierra County Animal Shelter; Raton Humane Society Animal Shelter; Los Alamos Animal Shelter; Paw & Claws Humane Society; Artesia Animal Shelter; Button Brand Vet Clinic (contracts with Otero County for animal services); Eunice Animal Control; Jal Animal Control; Lovington Animal Control; and, Animal Village NM Sanctuary in Alamogordo.

³ Animal Humane | New Mexico's serviced population was subtracted because it overlaps with the City of Albuquerque.

⁴ There may be some additional overlap among service areas of shelters, but none as large as the Albuquerque overlap. Also, some respondents may have used numbers other than the U.S. Census numbers that may be slightly different from the Census.

⁵ The YTD figures given were mostly through November 30, 2011 so to reach an estimated year-end total the YTD total was divided by 11(months) and then multiplied by 12(months) to reach a projection for the year. This will be off slightly as a few of the shelters used dates in December for their YTD cutoff but it should not be significant for purposes of this study.

27 cats and dogs per 1,000 people statewide (58 PPTP).⁶ The numbers give a good general sense of the scope of the problem: more than 55,000 cats and dogs are being euthanized in New Mexico's shelters annually. That breaks down to 152 per day statewide and almost 5 per day, per county.

The results of the survey are set forth in *Exhibit 3* by each shelter's euthanasia rate expressed in a percentage of animal intake for 2011 from highest to lowest, and in *Exhibit 4* by PPTP. The four communities with the highest euthanasia rates when looking at percentage of impounded animals are Portales at 85%, Clovis at 77%, Roswell at 76% and Hobbs at 72%. The four with the highest rates when looking at the PPTP rate are Portales, Tucumcari, Noah's Ark (Carlsbad) and Hobbs. These communities warrant further study and perhaps prioritization for any increase in spay/neuter capacity.

2. Approximate euthanasia agency costs for sheltering cats and dogs who are later euthanized.

The results of the ASB survey show that at least \$27 million was budgeted for Euthanasia Agencies in 2010.⁷ If we divide the \$27 million budgeted for 2010 among the 120,000 animals taken in by shelters in 2010 for a rough estimate of the cost of sheltering per animal, we get \$225/animal. Another way to look at it is that we currently spend \$13 per person of public funding in New Mexico on animal sheltering annually.

3. Contribution of nonprofit animal welfare organizations to sheltering costs when cats and dogs are transferred from euthanasia agencies to other in-state animal welfare organizations that spend additional funds on sheltering the animals.

Some Euthanasia Agencies participate in transfer programs by which the agency transfers some of its cats and/or dogs to other animal welfare shelters or rescue groups. Rescue groups generally are small nonprofit organizations that take in cats and/or dogs from animal shelters and/or stray cats and dogs and then shelter the cats and dogs in a network of foster homes until the cats and dogs are adopted into permanent homes. Rescue groups tend to keep an animal as long as needed until a home is found unless health or behavioral problems develop that are untreatable or cost prohibitive for the organization (they do not euthanize for space). Until the time of transfer, the Euthanasia Agency incurs the normal sheltering costs. However, at that point, the

⁶ Using a metric called the Pets Per Thousand People (PPTP) rate allows raw shelter statistics to be put in context of the current human population in a community, making it possible to compare statistics from several places of different size. Some consider the PPTP rate the best metric available for comparison purposes.

⁷ The survey neglected to ask for the budgets for 2011, but many provided them anyway. Some agencies were not able to separate their budgets from the larger city or county budget so are not included. Also, the budget totals do not include the animal shelters and rescue groups that are not Euthanasia Agencies. Finally, this total probably does include some funds for spaying and neutering animals from the public at low or no-cost. Thus, this total is an estimate, but probably in the general ballpark.

cost of sheltering is shifted to the organization that accepts the animal and the accepting organization pays the sheltering costs from that day forward. If the accepting organization is a private shelter or rescue nonprofit organization, as is often the case, those expenses are paid for by the rescuer's personal funds or by donations and are not always accounted for in the big picture of sheltering costs, especially with respect to rescue groups. Each rescue organization or its founders may spend tens of thousands of dollars annually to shelter animals and find them homes. If the "rescues" did not exist, the Euthanasia Agencies would have had to bear those costs or euthanize the animals.

4. Approximate costs for transporting cats and dogs out of state for adoption in states that are able to absorb some of New Mexico's shelter cats and dogs.

Some cities as close as Denver and Boulder have eliminated shelter overpopulation through enforcement of strict spay and neuter laws and are able to accept cats and dogs from New Mexico's shelters for adoption in Colorado. When New Mexico Euthanasia Agencies transfer cats and dogs out of state, they incur transportation and staff costs and do not get adoption fees for the animals transferred. On the other hand, they save the future sheltering costs from the day of transfer. The transferring agency must acquire a transport vehicle (a specially equipped van or small truck such as a Freightliner extended cargo van) or rent suitable transportation, pay staff to prepare and load the animals and drive them to the new location, and pay for gas and incidentals. A transport van may cost \$40,000. Transporting animals out of state for adoption also means losing the opportunity to build a relationship with the adopters and earn community or financial support from those individuals. The Espanola Valley Humane Society (EVHS) regularly transfers animals to Colorado shelters. In 2011, it transferred 1,346 animals to Colorado, including 138 cats, and spent \$34,000 on the transfer program. That comes to \$25 per animal. The Santa Fe Animal Shelter & Humane Society reports that it spends \$68 – \$90/animal transferred. Other shelters in New Mexico transfer to Colorado as well. The costs may be slightly higher when transferring from southern New Mexico because of the additional mileage. As more shelters start transport programs, the receiving shelters will become overloaded and new receiving shelters will have to be found. They are likely to be further away and thus more expensive and logistically complicated.

5. Capacity and accessibility of currently existing spay/neuter programs.

Senate Memorial 36 refers specifically to the possibility of a spay/neuter fund to aid low-income households in New Mexico. The emphasis on low-income households is important and right on target. Spay/neuter expert Peter Marsh⁸ of New Hampshire emphasizes that providing financial assistance (also called "subsidy" in this study) for the spaying and neutering of cats and dogs living in low-income households is the most effective way to reduce shelter overpopulation

⁸ Peter Marsh was a founder of Solutions to Overpopulation of Pets, the group that spearheaded the establishment of publicly-funded pet sterilization programs in New Hampshire. During the first six years after the programs were established, shelter euthanasia rates dropped by 75% and have been maintained at that level since that time. For the past 15 years, he has helped animal care and control agencies, humane organizations, and advocacy groups establish effective shelter overpopulation programs in their communities (<http://www.shelteroverpopulation.org/>).

because companion animals, especially cats, living in lower income households are less likely to be spayed or neutered than those living in higher income households. He recommends using Medicaid to qualify potential recipients of the subsidy since it is easy to work with and not intrusive. The assistance program must be accessible, affordable and adequately funded in order to be effective.⁹

New Mexico, like other states, has some spay/neuter programs already serving the public. For purposes of this study, “spay/neuter programs” means programs administered by nonprofit or governmental animal welfare agencies that offer spay/neuter surgeries to the public’s cats and dogs, usually at low or no-cost. It does not include spay/neuter surgeries that are performed by veterinarians in private practice at regular cost. Spay/neuter programs make spay/neuter more affordable and more accessible for many people.

Nine of New Mexico’s 33 counties do not have any spay/neuter programs: Catron, De Baca, Guadalupe, Harding, Lea, Los Alamos, Mora, Quay and Roosevelt Counties. Another fourteen have only one spay/neuter program: Chavez, Cibola, Curry, Grant, Hidalgo, Lincoln, McKinley, Otero, San Juan, San Miguel, Sandoval, Sierra Socorro and Union Counties. The remaining ten have two or more spay/neuter programs: Bernalillo, Colfax, Dona Ana, Eddy, Luna, Rio Arriba, Santa Fe, Taos, Torrance and Valencia Counties. Many of the programs are limited in terms of capacity, offering only a few surgeries per year, and in terms of who may qualify for the program. The website for *Spay New Mexico*, a program of the nonprofit Animal Humane | New Mexico, http://spaynm.org/spay_neuter/clinic.php, lists each spay/neuter program along with information on the program.

If the ASB or other interested parties move forward with establishing a funding mechanism for spay/neuter assistance, the ASB should determine how many spay/neuter surgeries each of the spay/neuter programs can provide each year, how many of those are for the cats and dogs of low-income households, and whether the funding for the surgeries is steady and secure or changes on a yearly basis, that is, whether it is reliable. Unfortunately, because of time and resource constraints it has not yet been possible to obtain that information for the baseline but Spay New Mexico will work on obtaining that data. However, limited data has been obtained that provide some insight into current program capabilities and will be discussed in this study.

Survey responses from several spay/neuter programs indicate that at least 6,000 spay/neuter surgeries were performed in 2011 on cats and dogs living in low-income households by spay/neuter programs offering financial assistance. The respondents include some of the largest programs in the state. We do not yet know how all the programs qualify participants (at least one does not qualify its recipients but assumes that all households in its jurisdiction are

⁹ Marsh has written two books on the subject, both of which are excellent resources and should be reviewed thoroughly by parties pursuing spay/neuter planning and funding mechanisms. One is *Replacing Myth with Math: Using Evidence-Based Programs to Eradicate Shelter Overpopulation*, Town and Country Reprographics, Inc. 2010, and the other, to be published in early 2012, is *Getting to Zero: A Roadmap to Ending Shelter Overpopulation in the United States*. An advance copy of portions of that book has been reviewed for preparation of this study.

low-income), what the level of discount or subsidy is, and whether the funding is reliable. Thus, this number is at very best an estimate.

6. **Whether additional spay/neuter programs are needed to eliminate shelter overpopulation.**

Marsh has also developed a much-anticipated formula for determining how many clients a spay/neuter program needs to serve in a community in order to eliminate shelter overpopulation. He states: “The most effective programs achieve about 5 sterilizations each year of pets living in Medicaid households for every 1,000 people who live in the area served by the program. Even then, experience has shown that a program will not have done all it can to reduce shelter intakes until it has sustained this level of surgeries for five years or more.”¹⁰ Marsh is adamant on two points. First, he insists that the programs must serve low-income households (affordable and accessible) and that the help is genuinely needed if we are to eliminate shelter overpopulation (do not waste the funding on people who could get it done on their own). He also insists that the programs be offered at a steady rate for several years. This makes sense: if a spay/neuter program comes and goes, the cats and dogs who are not spayed and neutered are busy reproducing during the lulls, creating yet more cats and dogs who are not spayed and neutered and begin reproducing, so that when the program starts up again, the population is right back to where it was.

Marsh bases his system on data that shows that households with incomes at or below the federal poverty level bring 8 – 12 cats or dogs per 1,000 people (PPTP) into their homes each year. Based upon additional data, cats and dogs are much less likely to be spayed or neutered in households with an income of \$35,000 or less. He has determined that offering spay/neuter programs for at least one-half of those animals, more if the area has a higher than average poverty level, is the appropriate benchmark. Thus, he recommends that spay/neuter programs provide for the spaying and neutering of 5 PPTP each year in an area that has an average level of poverty. He recommends adjusting that number upwards for areas of greater poverty, but notes that it is very hard for programs to deliver spay/neuter surgeries at the 7 or 8 PPTP level. But, he points out that in 2010, a Tampa, Florida program delivered about 7 PPTP and the next year shelter intake dropped by 15%.

Census data indicates that about 15% of U.S. households are at or below the federal poverty level, but that 19 – 20% of New Mexico households are at that level.¹¹ The New Mexico Human Services Department shows that at the end of 2011, 500,000+ New Mexicans were enrolled in Medicaid, about 25% of the population.¹² Thus, New Mexico’s poverty rate is higher than the U.S. rate and, therefore, spay/neuter programs for the State, as an aggregate, should use a benchmark higher than 5 PPTP. This study will use a benchmark of 6 surgeries on PPTP. Given that New Mexico’s human population is just over 2 million, that means that spay/neuter programs must provide assistance for 12,000 spay/neuter surgeries per year for cats and dogs living in low-income households. Existing New Mexico spay/neuter programs are already

¹⁰ *Getting to Zero.*

¹¹ About half a million New Mexicans receive Medicaid, which leads . If

¹² http://www.hsd.state.nm.us/mad/pdf_files/Reports/Revisedby1-5-12/AllClient.pdf

delivering some of those 12,000 surgeries, perhaps 6,000 as discussed above. That would mean an additional 6,000 are needed for low-income households. Programs would also need to provide for spays and neuters of free roaming cats.

7. Costs of different types of spay/neuter programs and appropriateness for New Mexico's different areas.

Before delving into the possibility of the ASB administering a statewide spay/neuter program, it should be noted that the Animal Sheltering Act terminates the ASB on July 1, 2013 but allows it to operate until July 1, 2014, at which time the Animal Sheltering Act is repealed.¹³ This is a typical "sunset" provision that exists for many of the state's boards and commissions, but unless those dates are extended by the Legislature and signed onto by the Governor, the ASB will no longer exist and any spay/neuter planning will be for naught.

If funding for the ASB to administer statewide spay/neuter programs goes forward, the ASB and interested parties and stakeholders will have to decide on a structure for the programs and on the Board's role. As noted earlier, the ASB currently is minimally funded and staffed and would not be in a position to administer a statewide program without more of both. The extent of the additional funding and staffing will depend on the structure and role chosen. The two extremes are: 1) the ASB plays only a limited advisory role and some other agency administers the program, and 2) the ASB takes responsibility for administering the program. Hybrid variations could be developed as well. This study assumes that pursuing any funding mechanism (with the possible exception of grant writing) will require legislation for the mechanism and probably the statewide spay/neuter assistance program itself. Additionally, this study assumes that the Legislature would fund the Board at the necessary higher level either from general fund or from the revenue generated for the spay/neuter funding mechanism itself. This study does not recommend the structure, but merely notes that that it will need to be analyzed and determined in the future.

At one end of the spectrum of involvement, the Board would act as a general manager, administering the big picture but not handling the daily operations. This path would have the Board contract with, or make grants to, some or all of the existing spay/neuter programs to ramp up the spay/neuter services for animals of low-income households. The ASB would have to undertake a detailed capacity study of the current spay/neuter programs. The programs would need to agree to meet any ASB requirements for participation (such as screening applicants to ensure they qualify as low-income). Targets would be set and the funds would be disseminated in a logical, planned manner designed to eliminate shelter overpopulation. This path would probably require some increase in staff and additional Board involvement, but would not, for example, require hiring veterinarians or purchasing a mobile clinic.

A structure in which the ASB actually runs the spay/neuter programs is at the other end of the spectrum. That would mean, for example, if a mobile clinic is necessary, that the ASB purchase the clinic, hire the veterinary and veterinary technician staff, determine the clinic's

¹³ §77-1B-12 NMSA1978.

schedule and so forth. This path would require a lot of additional staff for the ASB, along with a lot more funding and an expansion of the ASB's role, responsibility and authority.

Either path would involve using one or more types of spay/neuter programs. The following discussion reviews a few of those models. The common denominator for each model is that veterinarians and veterinary technicians must be on board in order to perform the surgeries. And, some level of administration is necessary in each case, but the extent will vary with the programs. In order to be successful the programs must help those who cannot afford spay/neuter on their own and be affordable (Marsh recommends that no more than \$10-20 per surgery is charged to the client, but New Mexico programs may recommend different numbers) and accessible (can clients get to the clinic? can they make appointments other than by internet?).

Types of Spay/Neuter Programs:

(i) *Voucher-style programs.* In voucher programs the administrator makes vouchers available to a target population, in this case low-income households, through outreach and a process that it establishes. The recipients then use the vouchers to get a discount when having a private veterinarian spay or neuter the recipient's cat or dog. The administrator makes arrangements with one or more veterinarians to perform the surgeries at fees established for the program. The voucher recipient pays his or her share, which may be a small co-payment or a larger percentage of the fee, and the administrator pays the balance. The vouchers must have an expiration date or some of the spay/neuters will not take place due to the natural tendency of people to delay. This type of program involves administrative staff and outreach.

(ii) *Mobile clinics.* Mobile clinics are vans or trucks that have been outfitted to serve as veterinary clinics. They can cost more than \$100,000 and require several staff, but are a moving billboard for the program. Mobile clinics can move from location to location to fill in where services are needed and are especially helpful in small communities that do not have a veterinarian or low cost spay/neuter program. Mobile clinics can spay and neuter up to 30 cats and dogs per day depending on the mix of animals (females take more time, male cats are very quick, large dogs take longer, animals with problems take longer).

The Santa Fe Animal Shelter and Humane Society (SFASHS) operates the only mobile clinic in New Mexico.¹⁴ The clinic has 4 staff, a program coordinator, two veterinary assistants/technicians, and a surgeon, and costs \$250,000/year to operate. The clinic has the capacity to operate 100 days per year at a cost of \$2,500 per day. The clinic staff can spay and neuter up to 30 animals per day for a cost of \$83/animal. The mobile clinic has gone to many New Mexico communities for 1 to 3 days at a time, including Deming, Mora, Picuris Pueblo, Santa Rosa and too many others to list. The local organization (or individual) that requests the clinic's services, generally raises the \$2,500/day fee, finds the necessary volunteers to help on the day(s) of the program, advertises the program, and secures a location (community centers and schools work well). Although mobile clinics are more costly per animal than high volume

¹⁴ You can see pictures and details on its website, <http://www.sfhumanesociety.org/>, by clicking on "Mobile Spay/Neuter Van."

clinics, they provide greater geographic access, especially to remote or hard-to-reach communities.

(iii) *Transport Programs.* Transport programs take advantage of unused spay/neuter capacity at fixed location spay/neuter clinics. The programs bring a load of animals from communities that do not have a low or no-cost spay/neuter programs to the clinics for surgery and then bring them back to their communities the same day. These programs maximize the use of the fixed clinics and make it easier for people in the surrounding areas to have their animals spayed and neutered by taking care of the drive for them, not to mention being more energy efficient in terms of vehicle use. The program needs a vehicle (a cargo van like EVHS uses for trips to Colorado), outreach and administrative staff to organize each trip and load the animals, at least one driver and funds for gas and incidental travel costs. The number of staff people needed will vary with the extent of the program. A program that does one spay/neuter transport a month from a community will need less staffing than arranging 5 days a week from different communities all year long. North Carolina has a well-established model for this type of program that also provides excellent training and assistance, the Humane Alliance.¹⁵

(iv) *High volume spay/neuter clinics:* High volume clinics are usually run by governmental or nonprofit agencies. The clinic's veterinary staff performs only spay/neuter surgeries and does not engage in a more general veterinary practice. Veterinarians that specialize in high volume spay/neuter are able to perform many more spay/neuters in a day, up to 50, than veterinarians that do not specialize. Two high volume veterinarians working in a clinic together may spay and neuter up to 100 animals per day. High volume clinics are the most efficient way to deliver spay/neuter surgeries due to the degree of specialization and economies of scale.

A high volume spay/neuter clinic will be successful only in a community that has a high enough human population to keep the clinic busy full time, at least 250,000 people. Albuquerque is the only New Mexico community that has a high enough human population to support a high volume spay/neuter clinic and it already has one at the City's Animal Welfare Department. That means the capital has already been invested. The City's clinic has not been operating at full speed due to funding limitations, but does intend to ramp up its operations this year. With additional funding, it could get to full speed operations and employ two full-time high volume spay/neuter veterinarians. Once it is meeting local demand smoothly and has capacity to take on animals from outside the city limits, the Albuquerque high volume clinic may be in a good position to serve as a regional spay/neuter clinic (with a contribution per animal from the outlying areas). Transport programs may be a necessary component of a regional program.

(v) *Free-roaming cat programs.* Although Senate Memorial 36 does not mention spay/neuter programs for free-roaming cat populations, the issue deserves consideration in the bigger picture because of the magnitude of the effect of free-roaming cats on shelter intake. Free-roaming cats include feral cats, pet cats that have been abandoned, and pet cats that are not spayed or neutered and are allowed outdoor access on a regular basis. In the past couple of years the animal community has recognized more and more that the free-roaming cat population

¹⁵ The organization's website is <http://humanealliance.org/>.

contributes significantly to the shelter overpopulation. Although free-roaming cat statistics are among the most elusive to obtain, many animal welfare organizations are targeting free-roaming cats for spay/neuter through a variety of programs because the pay-off (intake reduction) is so high.

The Albuquerque animal welfare community is extremely active with feral cats. Animal Humane | New Mexico (AHNM) spayed and neutered approximately 3,150 of them in 2011 through its own program and a collaborative effort called Street Cat Companions. AHNM notes that its kitten intake decreased by 17% in 2011. And, cat intake at the city of Albuquerque shelters dropped from a high of 12,300 in 2007 to a low of 3,500 in 2011. According to the city's Animal Welfare Department, in 2007 the city euthanized 7,500 cats whereas in 2011 it euthanized 3,500. The city attributes this improvement to better methods of dealing with free-roaming cats and spay/neuter.

Measuring Effectiveness. Marsh¹⁶ recommends an objective way to assess the effectiveness of spay/neuter programs and determine which to prioritize: comparing the reduction in shelter deaths from a program to its total cost (divide the total program cost by the reduction, if any, in shelter euthanasia). The ASB and spay/neuter programs may want to keep track of this type of data so that when funding is established and the Board (or individual programs) begin planning, they can use this measure to help make smart planning decisions.

Public Education on Importance of Spay Neuter. Public education/outreach is necessary to teach the importance of spay/neuter, the effect of not spaying and neutering (shelter overpopulation and euthanasia) and specific details such as when to spay/neuter and the other health and behavioral benefits. Many people incorrectly believe that it is in the best interest of a dog or cat to have a litter before they are spayed, and don't know that neutering a male can decrease unwanted behaviors, or even that spaying and neutering dramatically reduces dog bite incidents. For example, Marsh's research shows that at least 4 of every 5 litters of cats or dogs are born to a female that was later spayed, a phenomenon he calls "spay delay." Since the spay-delay households are not opposed to spaying (they did eventually have it done) they likely do not need to be persuaded about the benefits of spaying and neutering, they just need to get it done earlier. An education campaign specifically focusing on spay delay is a must for spay/neuter programs and should pay off well.

A statewide spay/neuter program must engage the media and use other forms of outreach both to market the program and to educate the public in general. Tools include special events, radio public service announcements, website postings, social media like Facebook and Twitter, billboards, earned media, particularly TV news, select paid advertisements, education in the

¹⁶ Peter Marsh was introduced earlier in this study. He was a founder of Solutions to Overpopulation of Pets, the group that spearheaded the establishment of publicly-funded pet sterilization programs in New Hampshire. During the first six years after the programs were established, shelter euthanasia rates dropped by 75% and have been maintained at that level since that time. For the past 15 years, he has helped animal care and control agencies, humane organizations, and advocacy groups establish effective shelter overpopulation programs in their communities (<http://www.shelteroverpopulation.org/>).

schools, and one-on-one education. Just as the state's Tourism Department is hiring an advertising agency to promote New Mexico, the state might consider investing in a professional media campaign to promote spay/neuter and eliminate shelter overpopulation. And, the possibility and effectiveness of grassroots organizers in the target communities should be considered.

Prioritize cats? One member of New Mexico's animal sheltering community recommends prioritizing cat spays and neuters for two reasons. First, cat spays and neuters are easier to perform and less costly than dog spays and neuters so the funding goes further. Second, cats have a harder time of it in shelters – very few cats that arrive at shelters are reunited with the families and a higher percentage of cats than dogs at euthanasia agencies are euthanized. Also, cats are far more likely to be running free and adding to the stray animal population than dogs, thus they contribute more to shelter intake and shelter overpopulation. Traditionally dogs have received more attention than cats. Shelter overpopulation of both species must be addressed equally.

8. **Analysis of the total funding needed to eliminate shelter overpopulation.**

The total dollar amount needed will depend on the programs chosen and the costs that come with those programs along with the actual number of spay/neuter surgeries that are already being provided for New Mexico's low-income households. Earlier this study discussed the need for an additional 6,000 – 12,000 spay neuter surgeries that are subsidized for low-income households. If the programs' average cost is \$100 per surgery (surgical and administrative costs), then any funding mechanism for a statewide program would need to generate at least \$600,00 and perhaps up to \$1,200,000. If the cost is \$200/surgery, funding would need to be doubled. The worst-case scenario would be that the state program would have to provide all 12,000 surgeries at a cost of \$200/surgery for a total of \$2.4 million. The best-case scenario is that the program would have to deliver half the number of surgeries at half the cost for a total of \$600,000. Generally it is better to plan for the worst-case scenario so shooting for yearly funding of \$2-2.5 million is the safer option. Funding for free-roaming cat spay/neuters would be in addition to this target but are not analyzed in this study.

Marsh finds that a subsidy program for pets in low-income households will cost about \$500 a year for every 1,000 people (or \$0.50 per person) who live in the area served. That comes to \$1,029,500 for New Mexico, somewhere in the middle of the target range discussed in the prior paragraph. New Mexico's large geographic size but relatively small human population and the lack of veterinary access in some counties may cause spay/neuter programs to be a bit more expensive in New Mexico than Marsh's number suggests. Transportation and time might be bigger factors than in more compact places where economies of scale come into play.

Marsh presents another interesting way to look at the dollar amounts involved, the ratio between the amount spent on preventing animals from becoming homeless and the amount spent on programs for those who have become homeless. He calls this ratio the Prevention Quotient (PQ). The PQ in New Hampshire is 12 (\$805,000 spent on spay/neuter in NH ÷ \$6,649,000 spent on sheltering in NH x 100 (the last step is simply to get a whole number rather than a decimal). The national PQ is 7 (\$105 million spent on spay/neuter and \$1.5 billion spent on

sheltering and adoption). He recommends a PQ of 14 as reasonable. Given New Mexico's \$27 million budget for euthanasia agencies, \$3.8 million would need to be spent on prevention programs in the state to reach a PQ of 14. Existing New Mexico spay/neuter programs are making a dent in that amount, though the actual dollar amount is not yet known. One caution about using this formula is that the \$27 million budgeted for sheltering may not really be enough to do the job well at all of the state's shelters. Many of New Mexico's shelters are struggling to provide the bare minimum of care because of their low budgets. A higher total sheltering budget would require a higher prevention budget to reach the same PQ of 14.

What if the funding mechanism generates less than adequate funding? As discussed elsewhere, shelter overpopulation cannot be eliminated unless the benchmark number of surgeries is delivered for at least five years. If less than an adequate level of funding is established and the benchmark cannot be reached, the ASB should consider focusing on those communities or regions of the state in which it can deliver the pro rata number of spay/neuter surgeries required.

9. Potential savings available to the state's euthanasia agencies and animal welfare nonprofit organizations by increasing spay/neuter and eliminating shelter overpopulation.

As stated previously, the results of the ASB survey show that at least \$27 million was budgeted for euthanasia agencies in 2010 and it looks likely that at least that amount was budgeted again in 2011.¹⁷ If we divide the \$27 million among the 120,000 animals taken in by shelters in 2010 for a very rough estimate of the cost per animal of sheltering, we get \$225/animal. Another way to look at it is that we currently spend \$13 per person in New Mexico on animal sheltering annually.

If shelter overpopulation were eliminated through successful spay/neuter programs, the \$27 million spent on sheltering would not totally disappear, but would be substantially reduced. Shelters would still take in and adopt animals, but at a rate where demand for animals equaled (or perhaps even exceeded) the supply of animals so that no cats and dogs would be euthanized for space. For the purposes of this example only, let's assume that all 55,000+ cat and dog euthanasias in 2011 were because of shelter overpopulation. At a cost of care per animal of \$225 each, New Mexico's euthanasia agencies spent almost \$12 million on sheltering cats and dogs who were ultimately euthanized. So, the euthanasia agencies could save some, if not all, of that \$12 million by implementing a subsidized spay/neuter program at the cost of \$2-2.5 million dollars a year. In reality some number of those euthanasia procedures would still take place because of health or behavioral problems, but it would be a small percentage so the savings would still be substantial. The key to success will be targeting the subsidy program to households whose intact animals are likely to contribute to shelter intake. The evidence indicates that is the low-income community.

¹⁷ The actual number is higher as some agencies were not able to identify their budgets. That total also does not include the animal shelters and rescue groups that are not Euthanasia Agencies. On the other hand the total probably also includes some amount that is spent on spay/neuter programs.

10. Potential funding mechanisms.

According to the Humane Society of the United States (HSUS), the majority of states in the U.S. have public funding mechanisms for spay/neuter. HSUS says:

- 34 states plus Washington D.C. have a publicly funded mechanism for subsidizing the cost of spay/neuter (NM is included because of its special spay/neuter license plates)
- The mechanisms include: license plates (27), tax check-offs (10), dog license fees/surcharge (8), rabies surcharge (2), penalties for animal cruelty/control violations (4), surcharge on pet food (1), and surcharge on the sale of intact dogs/cats at pet stores (1).¹⁸

Some of these and others will be presented and analyzed below. The analysis will point to a spay/neuter fee on pet food distribution as the most effective funding mechanism for a subsidized program for the spay/neuter of companion animals from low-income households. Alternatively, a combination of two or more of the other funding mechanisms might meet the full funding levels needed, but some of the characteristics of those other measures makes them less than attractive.

Overview of Funding for Animal Sheltering Board

The Legislature and Governor fund the Animal Sheltering Board through the appropriations and state budgeting process by appropriations to the Regulation and Licensing Department (RLD) from the general fund and the proceeds of licenses issued by the Board. The Board's total budget for FY12 (ending June 30, 2012) is \$87,000. A Board Administrator, who also supports two other boards, is the only staff for the Board. The Animal Sheltering Act creates an Animal Care and Facility Fund in the State Treasury from monies collected pursuant to the Animal Sheltering Act and fees and penalties, among other things.¹⁹ The monies in the fund are subject to Legislative appropriation to RLD "to help animal shelters and communities defray the cost of implementing the [B]oard's initiatives conducted pursuant to the [Act]."²⁰ The board licenses euthanasia technicians and euthanasia agencies and certifies euthanasia instructors. License fees are \$50, \$200 and \$150 respectively and all are good for three years. At those rates, the ASB generates approximately \$5,300 in license and certification fees a year.

The Animal Sheltering Act also makes provision for the Animal Care and Facility Fund to receive, upon appropriation by the Legislature, monies received by the State from the sale of special registration plates. Those funds must be expended for spay/neuter programs in the counties in which the plates were sold, a provision that was added to the law in 2009.²¹ The Fiscal Impact Report prepared by the Legislative Finance Committee staff on March 19, 2009 for the bill making that change estimated that the special registration plate would generate only \$1,600 (65 plates at \$25 for the Animal Care and Facility Fund from each sale) in FY09. The current balance in the Animal Care and Facility Fund from special registration plates is \$18,000,

¹⁸ From "Spay-Neuter by State," October 2010, The Humane Society of the United States (http://www.humanesociety.org/assets/pdfs/legislation/spayneuter_by_state.pdf).

¹⁹ §77-1B-4(A) and (B) NMSA 1978.

²⁰ §77-1B-4(C) NMSA 1978.

²¹ §77-1B-4(D) NMSA 1978.

according to RLD. The Taxation and Revenue Department (TRD) is researching the amounts generated per county. If spay/neuter surgeries are \$100 each on average (a very low estimate and one that would be obtainable only from spay/neuter programs with their own surgery staff or veterinarians who agree to a lower rate for a guaranteed volume of surgeries), that balance could pay for 180 spay/neuter surgeries, perhaps enough to make a difference in very small communities if it could all be spent in one place but a drop in the bucket at the statewide level.

Although some states have found that special license plates can generate significant funding, the success depends on the popularity of the plate, which depends in part on the number of registered vehicles. However, even Texas, which has ten times as many registered vehicles as New Mexico,²² struggled with the lack of sales of its "Animal Friendly" plate that also funds spay/neuter Texas considered phasing it out, though that has not yet happened.²³ At this time the New Mexico Motor Vehicles Division of the Taxation and Revenue Department offers forty-eight standard and special license plates whereas a decade ago almost none were offered. Given New Mexico's relatively small population, low income levels, competition for special plates, the past performance of the spay/neuter license plate and the high administrative cost of spending the limited funds that are generated among a number of counties, the New Mexico special license plate is not likely to generate large sums of money for spay/neuter.

Based on estimated costs already discussed, the ASB does not have enough available funding to pay for spay/neuter at the levels needed throughout the State to eliminate shelter overpopulation. The following section of this study will review new funding mechanisms that could be used for spay/neuter. Key factors in evaluating these options are to minimize the administrative costs and fairness in applying the costs to pet owners and the pet supply industry rather than the general public. Based on this preliminary analysis, it is possible that it will be necessary to implement more than one of the options outlined below. In all cases, legislation would very likely have to be passed and signed. Amending the provisions of the Animal Sheltering Act that govern the Animal Care and Facility Fund²⁴ would be the simplest way to incorporate any new funding for spay/neuter.

Some Options for Spay/Neuter Funding Mechanisms.

a. Surcharge of \$20 on animal cruelty and ordinance fines.

New Mexico has state law and local law regarding crimes involving animal cruelty. The state law describes felony and misdemeanor offenses while local laws involve misdemeanors only. Many of New Mexico's municipalities and counties also have animal ordinances that require people to pick up after their dog, keep their dogs on leash in public areas, get their cats and dogs licensed, and so forth. Twenty-nine of New Mexico's thirty-three counties have some

²² See <http://www.fhwa.dot.gov/policy/ohim/hs03/htm/mv1.htm>.

²³ From *Stateline*, a nonpartisan, nonprofit news service of the Pew Center on the States, <http://www.stateline.org/live/ViewPage.action?siteNodeId=136&languageId=1&contentId=1401>, May 2000.

²⁴ §77-1B-4 NMSA 1978.

form of animal ordinances and at least eighty municipalities have animal ordinances.²⁵ The ordinances vary in scope and emphasis, but generally provide that animal control officers or local law enforcement may issue citations for violations of the ordinances. All of these types of laws may involve fining the person convicted.

One potential for funding spay/neuter is to add a \$20 surcharge to all convictions for animal cruelty or violating local animal ordinances. Analyzing this mechanism with accuracy is not possible without considerable time and resources because so many different enforcement agencies are involved and not all track this type of data. To obtain accurate data for many jurisdictions, someone would have to review each court case along with any appeals to determine the final outcome. In addition, the case may not be final until several years after the incident involved, especially if appeals are involved. Finally, not every conviction results in the assessment of a fine and some assessments wind up getting dismissed so it is important to look at the final outcome, not the initial charges. However, some information has been obtained to provide a preliminary estimate.

The Santa Fe Animal Shelter & Humane Society issued 1,358 animal ordinance citations in 2011 through November 30th. Since Santa Fe reported 144,700 people in its jurisdiction, it represents 7% of New Mexico's human population. If all jurisdictions issued citations at the same rate as Santa Fe's animal control officers, 19,400 citations would have been issued through November 30th. For purposes of this study, we will round that off to 20,000 citations for 2011. We do not know how many of those will result in conviction and for which fines will be assessed. At best, though highly improbable, if each citation resulted in conviction, was assessed a fine, bore a \$20 surcharge for spay/neuter, and was collected, the surcharge would create a fund of \$400,000 for the year. The likelihood of all those factors being true is low and thus the actual outcome would probably be substantially less than that.

The Town of Edgewood collected total fines annually ranging from \$4,224 to \$5,600 for the past several years. If a 20%²⁶ surcharge were added to those fines (we cannot use the \$20 per conviction model because we do not have the number of convictions at this time), it would lead to a total yearly surcharge ranging from \$844 to \$1,120. The Town of Edgewood has a human population of 3,735. That is .18% of New Mexico's population. If \$1,000 were assumed as the yearly surcharge for Edgewood and then multiplied out for the entire state's population, the total surcharge would be \$551,300 for spay/neuter. That is probably much higher than most jurisdictions in the State given Edgewood's dedication to animal control issues.

Thus, based on the Santa Fe or Edgewood numbers, spay/neuter could be funded at a sizable sum by adding a surcharge to citations. Advantages and disadvantages to the mechanism exist. On the positive side is the link between bad behavior regarding animals and funding something good for animals. On the negative side is the administrative overhead of having so many agencies involved. Each agency would have to implement the surcharge, collect it and send it to the proper recipient. Also, it could well be that many of the other jurisdictions do not

²⁵ See, http://www.apnm.org/publications/animal_law/index.php.

²⁶ Note that this number is 20% of the amount of the fine, not \$20 per fine as in the Santa Fe example.

cite and/or collect at the level of the two that reported, so the numbers may actually be much lower.

b. Voluntary income tax or car registration check-off.

(i) *Income Tax Check-Off*: New Mexico allows taxpayers to make voluntary donations to a variety of special funds when filing their income taxes. Taxpayers elect to do so by using the PIT-D form and choosing one or more of nine options such as: the Share with Wildlife, a non-profit program of the New Mexico Department of Game and Fish, supported exclusively by donations; the Veterans' National Cemetery Fund; and the New Mexico Substance Abuse Education Fund. The most recent information readily available on how much is donated annually to these special funds is from tax year 2003 in a report titled "Personal Income Tax Facts, 2003 Tax Year," prepared by The Research Office of the New Mexico Taxation and Revenue Department (TRD) and published in January 2004. That document indicates that the following amounts were collected for those three funds:

Share with Wildlife: \$38,964;
Veterans' National Cemetery Fund: \$20,175; and,
New Mexico Substance Abuse Education Fund: \$13,397.

Since that was almost 10 years ago the amounts may be higher now, but that could be offset by the decline in the economy. In any case, tax check-off funds do not seem likely to generate the larger sums necessary for a successful statewide spay/neuter program. However, it may be desirable to include as a component a package of funding mechanisms if that were pursued. This mechanism also provides visibility for spay/neuter efforts, which is an important part of the overall program.

(ii) *Vehicle Registration Check-Off*: New Mexico does not have any mechanism in place to donate to special funds when registering motor vehicles. Based on the HSUS study referred to above, it does not seem that any state has such a mechanism. According to the Motor Vehicle Division of the TRD, the fee for registering passenger vehicles ranges from \$27 to \$124 depending on weight, year model and length of registration. Truck registration fees range from \$38 to \$414. According to the U.S. Department of Transportation's Federal Highway Administration, in 2003, 1.5 million motor vehicles were registered in New Mexico.²⁷ That would mean the public would be given at least 1.5 million opportunities every two years (registrations can be one or two years) to donate money for spay/neuter. However, there is no reason to expect that such a system would generate a greater amount of donations than voluntary income tax check-offs and its lack of history is likely to create more resistance. New Mexico would be breaking new ground with this option.²⁸

²⁷ <http://www.fhwa.dot.gov/policy/ohim/hs03/htm/mv1.htm>.

²⁸ It may be possible to find out the percentage of income tax returns that were filed in New Mexico in a recent year that contained voluntary donations, divide it by ten (for ten options available on the PIT-D), and then apply that percentage to car registrations in a recent year and assume each one would donate a few dollars each.

c. *Statewide intact animal or litter permit fee.*

Currently, companion animal licensing and/or permitting takes place at the local level in New Mexico. The rules vary by jurisdiction on whether cats and dogs are required to be licensed, whether there is a higher licensing fee for intact animals (not spayed or neutered)(called “differential licensing”), and whether litter permit fees are required. The level of compliance varies significantly from place to place. Merritt Clifton, Editor of the publication *Animal People*, found that “[n]ationally, studies of licensing compliance show that only 15% to 25% of dogs and a negligible percentage of cats are licensed. Only a few US jurisdictions can demonstrate licensing compliance of as high as 40%.”²⁹

If a statewide intact animal licensing or litter permit fee licensing were to be established, two routes would be available. The authority to collect the fees and enforce the laws could be given to a state agency or could piggy back on local licensing and permit programs and be administered by the local agencies (possibly receiving a portion of the fee for the costs of administration). Enforcement may still vary from place to place and local ordinances may need to be amended.

The city of Albuquerque requires both “Intact Companion Animal Permits” (ICAPs) at \$150/year and “Litter Permits” also at \$150/year. The city reports that it issued 191 ICAPs and 15 litter permits from July 2010 through June 2011. If each of those permits bore a surcharge of \$10 for spay/neuter, they would generate \$1,910 and \$150 respectively. Since Albuquerque’s population is about 1/3 of the state’s population, similar permitting in all jurisdictions might yield \$5,730 and \$450 for statewide spay/neuter, if all jurisdictions required those permits, enforced the requirement at the same level and assessed the \$10 surcharge. The total amount would not nearly cover the needs of a statewide spay/neuter program. If this mechanism is of interest, it may work best as part of a package of spay/neuter programs, but the administrative burden of a surcharge along these lines is daunting given the number of jurisdiction involved and the lack of a state agency to carry out and enforce the program.

d. *Statewide companion animal licensing program.*

A statewide companion animal licensing program raises many of the same issues as the litter permit/intact animal fee. But, since New Mexico law requires that cats and dogs in New Mexico be vaccinated against rabies,³⁰ it may be possible to generate spay/neuter funding by linking it in with rabies vaccinations. State law could deem the vaccination certificate a *de facto* state license and create a spay/neuter fee to be paid with each vaccination. In this scenario veterinarians would collect the fee and submit the revenues to the state. The mechanism might be able to generate some revenues, but not at the level required.

²⁹ <http://www.animalpeoplenews.org/06/12/editorial1206.html>.

³⁰ §77-1-3 NMSA 1978.

Based on commonly used formulas, we can estimate New Mexico's cat population (not including the free-roamers) at 512,000 and dog population at 445,423.³¹ If each of those cats and dogs were vaccinated and resulted in a \$3 spay/neuter fee being paid, the program would generate almost \$3 million. At 50% compliance the fee could generate \$1,500,000. We also do not know how many of the licensed or unlicensed animals received rabies vaccines. *USA Today* reports that 8 of 10 companion animals saw a veterinarian in the past year,³² but we do not know if they all received vaccines. And, New Mexico's compliance rate with vaccinations may be less because of the rural demographic and limited veterinary access.

The SFASHS reports that 5,271 dog and cat licenses were renewed in 2011. Since Santa Fe represents 7% of the human population, if the dog and cat licensing were at the same level throughout the state, 75,000 dog and cat licenses would be issued or renewed each year. Based on that level alone, a \$3 surcharge would generate \$225,000. Without additional data, it is not possible to estimate the potential revenue more accurately.

If the mechanism were to be put in place, it may also be necessary to allow veterinarians to retain a portion of the spay/neuter fee to cover the administrative expenses of collecting the fee and reporting to the State, possibly \$1 per license, whether for a one-year or a three-year license. If this mechanism is of interest, discussing the possibility with the veterinary community, Board of Veterinary Medicine and state Department of Health should be held very early in the process. The veterinary community should be able to determine how many rabies vaccines are actually given in a year in New Mexico with the assistance of the Department of Health.

Marsh again makes valuable recommendations regarding the potential for rabies and licensing records to support compliance. He recommends integrating pet licensing records and rabies vaccination records into a single database. He also recommends differential licensing – license for intact animals are at least \$20 more than spayed and neutered animals (some of New Mexico's jurisdiction already have such a differential). Years ago New Hampshire, Marsh's state, had a statewide licensing program that would generate funds for spay/neuter but also had a very low compliance rate. The state integrated the database by passing legislation requiring veterinarians to give their vaccination lists to the local licensing agency so that the records could be compared and the licensing agency could follow up with people who had their animals vaccinated but did not license them. Significantly more funds were raised after that integration.

e. Applying for grants from private foundations.

Another mechanism for consideration is writing and submitting grant proposals to private foundations. The ASB could potentially engage in grant writing at two levels. First, the ASB could apply for grants itself. Some grant-making foundations will make grants to governmental entities. The ASB would have to research potential foundations by screening for two criteria:

³¹ The National Council on Pet Population Study & Policy describes formulas for estimating the number of dogs and cats in an area (<http://www.petpopulation.org/faq.html>). Those formulas were used to come up with the estimates used here.

³² See, <http://www.usatoday.com/news/nation/story/2011-11-30/pet-care-costs/51487992/1>.

that the foundation gives grants for spay/neuter and that it allows governmental entities to apply. It seems very likely that the ASB would either need increased staff support or engage someone on contract to do this work, as it is time consuming and is best served by someone with experience. In addition, many of the Board members engage in fundraising for their own organizations and would have a conflict of interest if asked to fundraise for the ASB as well from the same or similar sources. Grants provide less than 10 - 15%³³ of the funding for nonprofit organizations. Since the pool of potential funders is even smaller for governmental entities, it is not likely that substantial sums of money could be raised through grant writing. In addition, the funding may not be stable or steady. Realistically, if the grant funds for spay/neuter are out there, it is likely that the state's nonprofits have already tapped into those sources and bringing them to the state.

The other level at which the ASB could engage in grant writing is not by applying directly for grants but by enhancing the capacity of euthanasia agencies throughout the state to write and submit their own grant proposals. This would mean offering assistance to the euthanasia agencies by engaging in any or all of the following: providing written and web materials, one-on-one mentoring, doing research on possible foundations, support for data collection, and so forth. Unless the board members had the expertise and time (and no conflict of interest), it is likely that the ASB would have to hire staff or a contractor to perform this work as well.

f. Spay/neuter fee on pet food distribution.

Finally, adding a spay/neuter fee to the current inspection fee for pet food is a spay/neuter funding mechanism that bears consideration. The state of Maine generates spay/neuter funds through this type of mechanism and advocates in the state of Washington are trying to pass legislation that would do so there. Currently New Mexico's commercial feed registration and inspection program requires manufacturers or distributors of pet foods to register the food with the New Mexico Department of Agriculture (NMDA) and pay registration and inspection fees. The manufacturer or distributor pays a \$2 registration fee per product, an annual \$25 inspection fee for products sold in packages less than 10 pounds, and a tonnage fee of \$0.15 per ton for products sold in packages greater than 10 pounds. Data has not yet been obtained from the NMDA as to the quantity of pet food distributed in New Mexico annually.

However, we can look to the Washington State effort for some idea of the possible amount of funding that could be generated. The Washington Alliance for Humane Legislation is advocating for legislation that would put a fee on pet food distributed in Washington state of \$0.025 per pound. The fee would be dedicated to spay/neuter and would be piggybacked on the commercial pet food fee that distributors already pay. Under that bill, the pet-food fee would be paid by the initial distributors of pet food in Washington State, companies like Menu Foods, Nestle Purina, Del Monte Pet Products, and Hills Pet Nutrition. The fee would most likely be passed on to consumers at the retail level and the impact would be \$0.025 per pound of food purchased for each customer. The Washington State advocates estimate that the average pet food

³³ <http://nccs.urban.org/resources/faq.cfm> and http://www.givingusareports.org/products/GivingUSA_2011_ExecSummary_Print.pdf

purchaser would pay an extra \$1 per month. Based on Washington's population of about 6 million people and the amount of pet food purchased, the advocates project that the fee would generate enough funding for 60-70,000 spay/neuter surgeries a year. That number of surgeries would cover a target of 10 PPTP, 5 for low-income clients and another 5 for free-roaming cats. That means that the pet food fee in and of itself could reasonably be expected to fund the spay/neuter program at necessary levels to eliminate shelter overpopulation. The program would use private veterinarians to perform the surgeries at an established set of fees that would average \$150/animal. The client would pay a \$10-20 co-payment.

New Mexico's human population is 30% of Washington's 6.5 million people. Accordingly, if we assume that New Mexico's pet food sales are proportionate to Washington's, a similar pet food spay/neuter fee might generate adequate funding for the benchmark 12,000 surgeries and perhaps enough to include free-roaming cats as well.

Benefits of this type of funding mechanism include that it is equitable (pet owners, not the general public pays) and affordable (\$1/month), it is reliable and steady, it generates enough revenue by itself to pay for the program thereby saving the administrative burden of dealing with multiple funding sources. The administrative burden should be less than some others because it piggybacks on an existing fee and is handled by an agency existing that is used to dealing with that existing fee and only the entities already registering pet foods and having the foods inspected would deal with the fee, not the local retailers. If this mechanism is of interest, Communication should be initiated with NMDA to discuss the possibility and get the data regarding pet food registration and inspection fees.

Comparison of mechanisms.

Table 1 summarizes the report analysis for each of the criteria used in evaluating the various funding mechanisms. The criteria used were:

1. Sufficient revenue – will the source provide enough revenue to fully fund the needs of the program.
2. Reliable and predictable – will the source provide a reliable and predictable level of funding.
3. Limited complexity for start-up – is there a limited level of effort or cost needed to start-up the program.
4. Limited administrative burden – is there a limited level of administrative costs or burden required to operate the funding mechanism.
5. Equitable source – will the burden of the fees or revenues be fairly applied to the pet community and industry rather than the general public.

Based on the analysis and evaluations in the report, each mechanism is graded with an estimate of the probability that each funding mechanism will meet the criteria.

Table 1: Summary of Criteria Evaluation for Each Funding Mechanism

	<i>Surcharge on fines</i>	<i>Income tax or car registration check-off</i>	<i>Intact animal or litter permit fees</i>	<i>Statewide companion animal licensing</i>	<i>Grant writing</i>	<i>Pet food distribution fee</i>
<i>Sufficient Revenue</i>	Low	Low	Low	Low	Low	High
<i>Reliable and predictable</i>	Low	Low	Low	Low	Low	High
<i>Limited complexity for start-up</i>	Low	Low - Medium	Low	Medium	High	High
<i>Limited administrative burden</i>	Low	High	Low	High	Medium	High
<i>Equitable Source</i>	High	High	High	High	N.A.	High

Conclusion.

The pet food spay/neuter fee stands out above the others as a funding mechanism to generate revenue for a statewide assistance program for low-income households to have their cats and dogs spayed and neutered. The mechanism would add a spay/neuter fee to the current inspection fees on pet foods under the commercial feed registration and inspection program run by the NMDA. The mechanism is preferred because it is:

- Equitable in that pet owners, not the general public, pay;
- Affordable at about \$1/month per customer;
- Reliable and steady; and,
- Likely to generate sufficient revenue for the needed spay/neuter assistance program for low-income households.

Fifty-five thousand cats and dogs a year are counting on it.

EXHIBITS

1. December 2011 Survey Form from ASB
2. Survey Results (3 pages)
3. Euthanasia Rates by Percentage of Intake
4. Euthanasia Rates by PPTP (pets per thousand people)

Senate Memorial 36 Report (revised)

Agency Name: _____

Contact, Name, Email Address, Phone Number: _____

1. The number of animals; intake and euthanasia at your agency for:

a. Calendar year 2008;

Intake: _____

Euthanasia: _____

b. Calendar year 2009;

Intake: _____

Euthanasia: _____

c. Calendar year 2010;

Intake: _____

Euthanasia: _____

d. Calendar Year 2011: January through _____

Intake: _____

Euthanasia: _____

2. Number of fines for animal cruelty cases for each of calendar years;

2008: _____

2009: _____

2010: _____

2011: _____

3. Number of fines for animal ordinance violations for each of calendar years;

2008: _____

2009: _____

2010: _____

2011: _____

4. Annual budget for your agency for each of calendar years;

2008: _____

2009: _____

2010: _____

2011: _____

5. The current human population for your service area: _____

Intake and Euthanasia Rates

Agency Name	Human Pop.	Intake 2008	Euth 2008	Intake 2009	Euth 2009	Intake 2010	Euth 2010	2010 % Euth	Intake 2011*	Euth 2011	2011 % Euth
ABQ AH NM	700,000	4,348	710	4,829	644	5,773	860	15	5,003	531	11
ABQ Animal Welfare Dept	662,564	27,195	11,350	26,673	10,347	24,119	8,969	37	23,574	6,754	29
Alamogordo DPS	36,000	2,256	1,028	2,385	952	2,553	1,033	40	2,206	816	37
Aztec AC&C	130,044	7,865	5,024	7,379	3,880	7,676	3,772	49	3,236	1,498	46
Carlsbad, Noah's Ark AS	30,000	4,446	2,196	3,972	1,975	4,701	2,744	58	4,018	2,400	60
Clovis	38,500	2,016	1,826	1,746	1,564	1,970	1,676	85	1,986	1,538	77
Deming Luna County	30,000	3,270	1,689	3,432	1,581	3,519	2,066	59	3,492	1,816	52
Edgewood, Town of	3,735	322	38	324	37	317	18	6	301	12	4
Espanola Valley H.S.	40,246	3,759	1,020	3,987	1,057	4,019	1,211	30	3,826	841	22
Farmington	135,000	8,563	6,127	8,060	5,794	7,421	5,234	71	7,493	5,324	71
Gallup-McKinley County	71,492	5,019	3,669	5,056	3,214	4,888	2,712	55	4,118	2,440	59
Grants Animal Control	20,000	4,289	3,719	2,275	1,021	1,882	996	53	2,025	924	46
Hobbs	45,000	3,141	2,253	2,790	1,960	5,037	3,757	75	4,500	3,232	72
Lincoln County, HS of	20,497	954	414	1,178	472	1,393	547	39	1,006	427	42
Lordsburg	2,500	70	37	85	40	90	30	33	100	69	69
Mesilla Valley, Animal Service	206,000	15,522	10,186	15,061	9,345	14,956	8,347	56	12,688	7,368	58
Portales	12,000	1,251	976	1,183	825	1,165	953	82	1,324	1,121	85
Rio Rancho	90,000	2,779	811	2,406	641	2,420	683	28	2,159	620	29
Roswell	114,011	4,534	6,548	5,047	4,052	6,370	5,012	79	6,157	4,654	76
Santa Fe Animal S & HS	144,170	6,446	2,056	6,627	1,521	6,560	1,269	19	6,469	1,158	18
Silver City, High Desert HS	33,000	2,295	1,330	2,224	1,126	2,287	1,231	54	1,999	1,172	59
Socorro Animal Shelter	17,866	976	NA	1,198	427	1,314	565	43	1,380	658	48
Taos, Humane Society	33,000	1,271	156	1,667	248	1,866	517	28	1,469	152	10
Torrance County	16,363	919	495	741	413	683	362	53	645	315	49
Tucumcari AC	6,000	1,121	978	773	605	716	510	71	756	541	72
Valencia County	76,569	6,497	4,156	6,388	3,732	6,501	3,804	59	6,709	4,382	65
adjust for AHNM overlap	-700,000										
TOTAL	2,014,557	121,124	68,792	117,486	57,473	120,196	58,878		108,639	50,763	
Annual Euthanasia Percentage			55%		49%		49%			47%	
The 2011 intake numbers are YTD, generally through Nov. The following are the full year projections:											
						118,515	55,378			47%	47%

Agency Name	Human Pop.	Budget 2008	Budget 2009	Budget 2010*	2010 amt per animal	2010 amt per person
ABQ AH NM	700,000	\$3,400,000	\$3,900,000	\$4,100,000	\$710.20	\$5.86
ABQ Animal Welfare Dept	662,564	\$10,090,000	\$9,968,000	\$9,972,000	\$413.45	\$15.05
Alamogordo DPS	36,000	\$416,654	\$403,107	\$373,512	\$146.30	\$10.38
Aztec AC&C	130,044		\$747,005	\$594,854	\$77.50	\$4.57
Carlsbad, Noah's Ark AS	30,000	\$240,000	\$255,000	\$265,000	\$56.37	\$8.83
Clovis	38,500		\$245,109	\$257,719	\$130.82	\$6.69
Deming Luna County	30,000	\$315,888	\$307,021	\$274,967	\$78.14	\$9.17
Edgewood, Town of . . .AC&C	3,735	\$145,968	\$136,814	\$140,587	\$443.49	\$37.64
Espanola Valley H.S.	40,246	\$938,500	\$939,000	\$1,125,383	\$280.02	\$27.96
Farmington	135,000	\$1,238,671	\$1,189,490	\$1,115,268	\$150.29	\$8.26
Gallup-McKinley County	71,492	\$424,500	\$450,802	\$483,000	\$98.81	\$6.76
Grants Animal Control	20,000	\$136,898	\$145,878	\$232,794	\$123.70	\$11.64
Hobbs	45,000			\$458,000	\$90.93	\$10.18
Lincoln County, HS of	20,497	\$336,500	\$298,004	\$301,263	\$216.27	\$14.70
Lordsburg	2,500	\$69,081	\$69,081	\$69,081		
Mesilla Valley, Animal Service	206,000	\$1,918,710	\$1,956,939	\$1,999,784	\$133.71	\$9.71
Portales	12,000					
Rio Rancho	90,000					
Roswell	114,011	\$624,309	\$763,758	\$826,868	\$129.81	\$7.25
Santa Fe Animal S & HS	144,170	\$3,472,083	\$3,222,989	\$2,980,100	\$454.28	\$20.67
Silver City, High Desert HS	33,000					
Socorro Animal Shelter	17,866	\$105,531	\$112,858	\$132,001	\$100.46	\$7.39
Taos, Humane Society	33,000	\$400,000	\$422,000	\$550,000	\$294.75	\$16.67
Torrance County	16,363	\$117,891	\$120,064	\$123,611	\$180.98	\$7.55
Tucumcari AC	6,000					
Valencia County	76,569	\$531,879	\$535,667	\$635,927	\$97.82	\$8.31
TOTAL		\$24,923,063	\$26,188,586	\$27,011,719	\$224.73	\$13
<i>*The survey responses were most complete in terms of budgetary information for 2010.</i>						

ASB Survey
Euthanasia Rate as % of 2011 Intake
High to Low

Agency Name	2010 % Intake Euthanized	2011 % Intake Euthanized	Budget 2010	2010 amount spent per animal	2010 amount spent per person
Portales	82	85			
Clovis	85	77	\$257,719.00	\$130.82	\$6.69
Roswell	79	76	\$826,868.00	\$129.81	\$7.25
Hobbs	75	72	\$458,000.00	\$90.93	\$10.18
Tucumcari	71	72			
Farmington	71	71	\$1,115,268.00	\$150.29	\$8.26
Lordsburg	33	69	\$69,081.00		
Valencia County	59	65	\$635,927.00	\$97.82	\$8.31
Carlsbad, Noah's Ark AS	58	60	\$265,000.00	\$56.37	\$8.83
Gallup-McKinley County	55	59	\$483,000.00	\$98.81	\$6.76
Silver City, High Desert HS	54	59			
Mesilla Valley, Animal Serv	56	58	\$1,999,784.00	\$133.71	\$9.71
Deming Luna County	59	52	\$274,967.00	\$78.14	\$9.17
Torrance County	53	49	\$123,611.00	\$180.98	\$7.55
Socorro Animal Shelter	43	48	\$132,001.00	\$100.46	\$7.39
Aztec AC&C	49	46	\$594,854.00	\$77.50	\$4.57
Grants Animal Control	53	46	\$232,794.00	\$123.70	\$11.64
Lincoln County, HS of	39	42	\$301,263.00	\$216.27	\$14.70
Alamogordo DPS	40	37	\$373,512.00	\$146.30	\$10.38
Rio Rancho	28	29			
ABQ Animal Welfare Dept	37	29	\$9,972,000.00	\$413.45	\$15.05
Espanola Valley H.S.	30	22	\$1,125,383.00	\$280.02	\$27.96
Santa Fe Animal S & HS	19	18	\$2,980,100.00	\$454.28	\$20.67
ABQ AH NM	15	11	\$4,100,000.00	\$710.20	\$5.86
Taos, Humane Society	28	10	\$550,000.00	\$294.75	\$16.67
Edgewood, Town of . . . AC	6	4	\$140,587.00	\$443.49	\$37.64
TOTAL			\$27,011,719.00	\$226.08	\$13.00

ASB Survey
Euthanasia Rate as PPTP
High to Low

December 2011

Agency Name	Human Population	Intake 2011 (thru Nov)	# Euthanized 2011 (thru Nov)	# Euthanized per 1,000 people
Portales	12,000	1,324	1,121	93.42
Tucumcari AC	6,000	756	541	90.17
Carsbad, Noah's Ark AS	30,000	4,018	2,400	80.00
Hobbs	45,000	4,500	3,232	71.82
Deming Luna County	30,000	3,492	1,816	60.53
Valencia County	76,569	6,709	4,382	57.23
Grants Animal Control	20,000	2,025	924	46.20
Roswell	114,011	6,157	4,654	40.82
Clovis	38,500	1,986	1,538	39.95
Farmington	135,000	7,493	5,324	39.44
Socorro Animal Shelter	17,866	1,380	658	36.83
Mesilla Valley, Animal Services Center of	206,000	12,688	7,368	35.77
Silver City, High Desert HS	33,000	1,999	1,172	35.52
Gallup-McKinley County	71,492	4,118	2,440	34.13
Lordsburg	2,500	100	69	27.60
Alamogordo DPS	36,000	2,206	816	22.67
Espanola Valley H.S.	40,246	3,826	841	20.90
Lincoln Cty, Humane Soc.	20,497	1,006	427	20.83
Torrance County	16,363	645	315	19.25
Aztec AC&C	130,044	3,236	1,498	11.52
ABQ Animal Welfare Dept	662,564	23,574	6,754	10.19
Santa Fe Animal S & HS	144,170	6,469	1,158	8.03
Rio Rancho	90,000	2,159	620	6.89
Taos, Humane Society	33,000	1,469	152	4.61
Edgewood, Town of (AC&C)	3,735	301	12	3.21
ABQ AH NM	700,000	5,003	531	0.76