

HOUSE BILL 365

M4

3lr1043

By: **Delegates Lehman, Ruth, Acevero, Allen, B. Barnes, Bartlett, Boyce, Cardin, Chang, Charkoudian, Fair, Foley, Forbes, Fraser-Hidalgo, Guyton, Healey, Hill, D. Jones, Kaiser, Kaufman, R. Lewis, Love, McCaskill, Palakovich Carr, Pasteur, Pena-Melnyk, Pruski, Stein, Stewart, Taylor, and Terrasa**

Introduced and read first time: January 26, 2023

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Agriculture – Spay/Neuter Fund**

3 FOR the purpose of altering the contents and authorized uses of the Spay/Neuter Fund;
4 requiring the Department of Agriculture to establish a process through which a
5 person may make a voluntary donation to the Fund; requiring the Department to
6 give priority to certain competitive grant proposals that meet certain criteria;
7 requiring that a certain fee on commercial feed prepared and distributed for
8 consumption by dogs or cats and registered in the State in a certain manner be
9 adjusted annually for inflation in a certain manner beginning on a certain date; and
10 generally relating to the Spay/Neuter Fund.

11 BY repealing and reenacting, without amendments,
12 Article – Agriculture
13 Section 2–1601
14 Annotated Code of Maryland
15 (2016 Replacement Volume and 2022 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Agriculture
18 Section 2–1602 and 2–1603
19 Annotated Code of Maryland
20 (2016 Replacement Volume and 2022 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
22 That the Laws of Maryland read as follows:

23 **Article – Agriculture**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 2-1601.

2 (a) In this subtitle the following words have the meanings indicated.

3 (b) "Advisory Board" means the Spay/Neuter Fund Advisory Board established
4 under § 2-1604 of this subtitle.

5 (c) "Fund" means the Spay/Neuter Fund established under § 2-1602 of this
6 subtitle.

7 2-1602.

8 (a) There is a Spay/Neuter Fund in the Department.

9 (b) The purpose of the Fund is to reduce animal shelter overpopulation and cat
10 and dog euthanasia rates by financing grants to local governments and animal welfare
11 organizations for programs that most efficiently and effectively facilitate and promote the
12 provision of spay and neuter services for cats and dogs in the State.

13 (c) The Department shall [administer]:

14 (1) ADMINISTER the Fund; AND

15 (2) ESTABLISH A PROCESS THROUGH WHICH A PERSON MAY MAKE A
16 VOLUNTARY DONATION TO THE FUND.

17 (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of
18 the State Finance and Procurement Article.

19 (2) The State Treasurer shall hold the Fund separately, and the
20 Comptroller shall account for the Fund.

21 (e) The Fund consists of:

22 (1) Revenue distributed to the Fund from the fee established under §
23 2-1603 of this subtitle;

24 (2) REVENUE COLLECTED BY THE DEPARTMENT IN THE FORM OF A
25 DONATION TO THE FUND;

26 (3) Money appropriated in the State budget to the Fund;

27 [(3)] (4) Any investment earnings of the Fund; and

28 [(4)] (5) Any other money from any other source accepted for the benefit

1 of the Fund.

2 (f) (1) The Fund may be used only as described in this subsection.

3 (2) (i) The Fund may be used to finance selected competitive grant
4 proposals submitted by a local government or an animal welfare organization to facilitate
5 and promote the provision of spay and neuter services for cats and dogs, **INCLUDING**
6 **FINANCING THE COSTS RELATED TO:**

7 1. **WELLNESS CARE FOR CATS AND DOGS AT THE TIME**
8 **OF A SPAY OR NEUTER SERVICE;**

9 2. **MOBILE VETERINARY CLINIC TRANSPORTATION; AND**

10 3. **TRANSPORTATION SERVICES TO BRING ANIMALS TO A**
11 **CLINIC FROM AN UNSERVED AREA.**

12 (ii) The Department shall solicit and evaluate competitive grant
13 proposals.

14 (iii) A competitive grant proposal:

15 1. Shall target low-income communities and populations to
16 the maximum extent possible and detail how that goal is to be accomplished;

17 2. May target feral cat populations if the Department
18 determines that this targeting does not violate local law;

19 3. Shall efficiently and effectively facilitate and promote the
20 provision of spay and neuter services for cats and dogs; and

21 4. May include public education and outreach components.

22 (iv) The Department shall evaluate a competitive grant proposal
23 based on:

24 1. The standards established under [subparagraph]
25 **SUBPARAGRAPHS (iii) AND (v)** of this paragraph; and

26 2. Any additional standards the Department adopts by
27 regulation consistent with this section.

28 **(v) THE DEPARTMENT SHALL GIVE PRIORITY TO COMPETITIVE**
29 **GRANT PROPOSALS THAT WILL:**

30 1. **PROVIDE ELIGIBLE SERVICES THROUGH THE USE OF**

1 **A MOBILE VETERINARY CLINIC;**

2 **2. SERVE MULTIPLE JURISDICTIONS; OR**

3 **3. SERVE PREVIOUSLY UNSERVED AREAS.**

4 **[(v)] (VI)** The Department shall adopt regulations requiring a grant
5 recipient to report relevant information on how the grant was used, including **[data]:**

6 **1. DATA** on the number and type of spay or neuter surgeries
7 performed **[and a];**

8 **2. A** description of any public education and outreach
9 implemented; **AND**

10 **3. IF THE GRANT WAS AWARDED FOR THE PURPOSE OF**
11 **SERVING MULTIPLE JURISDICTIONS, DEMONSTRATION THAT EACH OF THE**
12 **JURISDICTIONS WAS SERVED IN AN EQUITABLE MANNER.**

13 (3) The Department may use money in the Fund:

14 (i) To finance public education and outreach efforts for the
15 competitive grant program; and

16 (ii) For the reasonable costs of administering the Fund.

17 (g) (1) The State Treasurer shall invest the money of the Fund in the same
18 manner as other State money may be invested.

19 (2) Any investment earnings of the Fund shall be paid into the Fund.

20 (h) Beginning January 1, 2014, each county and municipal animal control shelter
21 and each organization that contracts with a county or municipality for animal control shall
22 report quarterly to the Department on a form prescribed by the Department describing for
23 the previous 3 months:

24 (1) The number of cats and dogs taken in;

25 (2) The number of cats and dogs disposed of, broken down by method of
26 disposal, including euthanasia; and

27 (3) Any other relevant data the Department requires.

28 (i) By August 31, 2014, and each year thereafter, the Department shall submit a
29 report to the Governor and, in accordance with § 2–1257 of the State Government Article,
30 the General Assembly that describes the activities financed by the Fund in the previous

1 fiscal year, including:

2 (1) A description of all grant proposals selected for funding and grant
3 programs implemented;

4 (2) A statement of the number of spay and neuter surgeries performed
5 under each grant proposal selected;

6 (3) A description of and accounting for any public education and outreach
7 efforts made for the benefit of Fund programs; and

8 (4) A summary of the information reported to the Department by local
9 animal control shelters and organizations that contract with local governments for animal
10 control under subsection (h) of this section.

11 2–1603.

12 (a) (1) In accordance with paragraph (2) of this subsection, the Secretary shall
13 establish a fee on each brand name or product name of commercial feed that is:

14 (i) Prepared and distributed for consumption by a dog or cat; and

15 (ii) Registered in the State under § 6–107 of this article.

16 (2) (I) The fee established under this subsection is:

17 [(i)] 1. From October 1, 2013, through September 30, 2014,
18 inclusive, \$50;

19 [(ii)] 2. From October 1, 2014, through September 30, 2015,
20 inclusive, \$75; [and]

21 [(iii)] 3. [After September 30, 2015] **FROM OCTOBER 1, 2015,**
22 **THROUGH SEPTEMBER 30, 2023, INCLUSIVE, \$100; AND**

23 4. **AFTER SEPTEMBER 30, 2023:**

24 **A. SUBJECT TO SUBPARAGRAPH (II) OF THIS**
25 **PARAGRAPH AND EXCEPT AS PROVIDED IN ITEM B OF THIS ITEM, \$100, ADJUSTED**
26 **ANNUALLY FOR INFLATION USING 2013 AS THE BASELINE YEAR FOR CALCULATING**
27 **THE ADJUSTMENT; OR**

28 **B. FOR PET FOOD MANUFACTURERS WHO**
29 **DEMONSTRATE TO THE DEPARTMENT OF AGRICULTURE, IN A MANNER PRESCRIBED**
30 **BY THE DEPARTMENT, THAT THE MANUFACTURER HAS A GROSS INCOME FROM THE**

1 **DISTRIBUTION OF PET FOOD PRODUCTS OF NOT MORE THAN \$500,000, \$100.**

2 **(II) THE INITIAL ADJUSTMENT TO THE FEE SHALL BE PHASED**
3 **IN OVER A PERIOD OF 3 YEARS, BEGINNING OCTOBER 1, 2023.**

4 (b) The fee established under subsection (a) of this section shall be paid by the
5 person registering the commercial feed in accordance with the collection and reporting
6 guidelines established by the Department by regulation.

7 (c) Any fee collected under this section shall be paid into the Fund.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2023.