

# HOUSE BILL 767

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CF SB 820

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By: Delegate Frush (Chair, Task Force on the Establishment of a Statewide Spay/Neuter Fund) and Delegates S. Robinson, Afzali, Arora, Barkley, Barnes, Barve, Beidle, Bobo, Cane, Cardin, Carr, Davis, Eckardt, Frick, Gaines, George, Gilchrist, Guzzone, Haddaway–Ricchio, Haynes, Healey, Hogan, Holmes, Hubbard, Hucker, Ivey, Kach, A. Kelly, Kipke, Kramer, Lafferty, Lee, Love, Luedtke, Malone, McComas, McIntosh, McMillan, A. Miller, Minnick, Morhaim, Niemann, Norman, O’Donnell, Olszewski, Pena–Melnyk, Pendergrass, Reznik, Swain, Valentino–Smith, Vitale, Waldstreicher, Weir, Wilson, and Zucker

Introduced and read first time: February 6, 2013

Assigned to: Environmental Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Animal Welfare – Spay/Neuter Fund – Establishment**

3 FOR the purpose of establishing the Spay/Neuter Fund within the Department of  
4 Agriculture; stating the purpose of the Fund; requiring the Department to  
5 administer the Fund; specifying the contents of the Fund; requiring the  
6 Department to establish a certain surcharge on commercial animal feed and  
7 deposit the revenue into the Fund; authorizing the Fund to be used to establish  
8 a statewide voucher program to support the provision of spay/neuter services;  
9 establishing certain income–based eligibility criteria for the voucher program;  
10 requiring the Department to negotiate certain rates for the provision of low cost  
11 spay and neuter surgeries and rabies shots under the voucher program;  
12 requiring the Department to set a nominal copayment to be made by a  
13 participating eligible individual under the voucher program; requiring the  
14 Department to deposit all money received for copayments into the Fund;  
15 authorizing an eligible individual to purchase a voucher from the Department  
16 after taking certain action; requiring the Department to provide certain  
17 information to an eligible individual who purchases a voucher; authorizing an  
18 eligible individual who purchases a voucher to redeem the voucher for a free  
19 spay or neuter surgery and, if necessary, rabies shot at a participating  
20 veterinarian; prohibiting a participating veterinarian from billing an eligible  
21 individual for certain additional charges; authorizing a participating  
22 veterinarian to submit a redeemed voucher to the Department for  
23 reimbursement at a certain rate; authorizing the Fund to be used to establish a

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 competitive grant program to support the provision of spay/neuter services;  
2 requiring the Department to solicit grant proposals and evaluate the proposals  
3 based on certain standards; establishing the Spay/Neuter Advisory Board;  
4 providing for the composition and the chair of the Advisory Board; requiring the  
5 Department to provide staff support for the Advisory Board; providing that a  
6 member of the Advisory Board may not receive compensation for service on the  
7 Advisory Board but is entitled to reimbursement for certain expenses;  
8 establishing the duties of the Advisory Board; authorizing the Department to  
9 use money in the Fund to finance certain public education and outreach  
10 programs; requiring the Department to adopt certain regulations; providing  
11 that the Fund is a special, nonlapsing fund; requiring the State Treasurer to  
12 hold the Fund separately and invest the money of the Fund; requiring the  
13 Comptroller to account for the Fund; requiring certain local agencies and  
14 organizations to report certain information to the Department in a certain  
15 manner at certain time intervals; requiring the Department to report certain  
16 information annually by a certain date to the Governor and the General  
17 Assembly; adding the Fund to the list of exceptions to the requirement that the  
18 earnings of special funds accrue to the General Fund; providing for the  
19 termination of this Act; defining certain terms; and generally relating to animal  
20 welfare and the establishment of the Spay/Neuter Fund.

21 BY adding to  
22 Article – Agriculture  
23 Section 2–303.1 and 6–107.4  
24 Annotated Code of Maryland  
25 (2007 Replacement Volume and 2012 Supplement)

26 BY repealing and reenacting, without amendments,  
27 Article – Agriculture  
28 Section 6–103 and 6–107  
29 Annotated Code of Maryland  
30 (2007 Replacement Volume and 2012 Supplement)

31 BY repealing and reenacting, without amendments,  
32 Article – State Finance and Procurement  
33 Section 6–226(a)(2)(i)  
34 Annotated Code of Maryland  
35 (2009 Replacement Volume and 2012 Supplement)

36 BY repealing and reenacting, with amendments,  
37 Article – State Finance and Procurement  
38 Section 6–226(a)(2)(ii)69. and 70.  
39 Annotated Code of Maryland  
40 (2009 Replacement Volume and 2012 Supplement)

41 BY adding to  
42 Article – State Finance and Procurement

1 Section 6-226(a)(2)(ii)71.  
2 Annotated Code of Maryland  
3 (2009 Replacement Volume and 2012 Supplement)

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

6 **Article – Agriculture**

7 **2-303.1.**

8 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
9 MEANINGS INDICATED.

10 (2) “ADVISORY BOARD” MEANS THE SPAY/NEUTER FUND  
11 ADVISORY BOARD ESTABLISHED UNDER THIS SECTION.

12 (3) “FUND” MEANS THE SPAY/NEUTER FUND.

13 (B) THERE IS A SPAY/NEUTER FUND IN THE DEPARTMENT.

14 (C) THE PURPOSE OF THE FUND IS TO REDUCE ANIMAL SHELTER  
15 OVERPOPULATION AND CAT AND DOG EUTHANASIA RATES BY:

16 (1) FINANCING A STATEWIDE VOUCHER PROGRAM TO FOSTER  
17 THE PROVISION OF SPAY AND NEUTER SERVICES FOR CATS AND DOGS IN THE  
18 STATE; AND

19 (2) FINANCING GRANTS TO LOCAL GOVERNMENTS AND ANIMAL  
20 WELFARE ORGANIZATIONS FOR PROGRAMS THAT MOST EFFICIENTLY AND  
21 EFFECTIVELY FACILITATE AND PROMOTE THE PROVISION OF SPAY AND NEUTER  
22 SERVICES FOR CATS AND DOGS IN THE STATE.

23 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

24 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
25 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

26 (2) THE STATE TREASURER SHALL HOLD THE FUND  
27 SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

28 (F) THE FUND CONSISTS OF:

1           **(1) REVENUE DISTRIBUTED TO THE FUND FROM THE**  
2 **COMMERCIAL FEED REGISTRATION SURCHARGE ESTABLISHED UNDER § 6-107.4**  
3 **OF THIS ARTICLE;**

4           **(2) REVENUE COLLECTED FROM COPAYMENTS UNDER THE**  
5 **VOUCHER PROGRAM ESTABLISHED UNDER THIS SECTION;**

6           **(3) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

7           **(4) ANY INVESTMENT EARNINGS OF THE FUND; AND**

8           **(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED**  
9 **FOR THE BENEFIT OF THE FUND.**

10          **(G) (1) THE FUND MAY BE USED ONLY AS DESCRIBED IN THIS**  
11 **SUBSECTION.**

12           **(2) (I) THE FUND MAY BE USED TO ESTABLISH A STATEWIDE**  
13 **VOUCHER PROGRAM TO SUPPORT THE PROVISION OF SPAY/NEUTER SERVICES.**

14                   **(II) TO BE ELIGIBLE FOR A VOUCHER, AN INDIVIDUAL MUST**  
15 **DEMONSTRATE THAT THE INDIVIDUAL RECEIVES BENEFITS UNDER ONE OF THE**  
16 **FOLLOWING FEDERAL OR STATE PUBLIC ASSISTANCE PROGRAMS:**

- 17                           1.   **THE TEMPORARY CASH ASSISTANCE PROGRAM;**
- 18                           2.   **THE FOOD SUPPLEMENTAL PROGRAM (FOOD**  
19 **STAMPS);**
- 20                           3.   **THE CHILD CARE SUBSIDY PROGRAM;**
- 21                           4.   **THE WOMEN, INFANTS, AND CHILDREN**  
22 **PROGRAM (WIC);**
- 23                           5.   **THE MARYLAND MEDICAL ASSISTANCE**  
24 **PROGRAM (MEDICAID);**
- 25                           6.   **THE RENTAL ALLOWANCE PROGRAM;**
- 26                           7.   **THE ELECTRIC UNIVERSAL SERVICE PROGRAM;**  
27 **OR**
- 28                           8.   **THE MARYLAND ENERGY ASSISTANCE PROGRAM.**

1                   (III) 1. THE DEPARTMENT SHALL NEGOTIATE WITH  
2 VETERINARIANS FOR THE PROVISION OF LOW COST SPAY AND NEUTER  
3 SURGERIES AND, IF NECESSARY, RABIES SHOTS FOR A CAT OR DOG OWNED BY  
4 AN ELIGIBLE INDIVIDUAL WHO PURCHASES A VOUCHER.

5                   2. THE DEPARTMENT SHALL SET:

6                   A. SEPARATE RATES FOR CATS AND DOGS;

7                   B. VARIABLE RATES BASED ON AGE, WEIGHT,  
8 GENDER, PREGNANCY, AND ILLNESS; AND

9                   C. RATES FOR THE PROVISION OF A RABIES SHOT, IF  
10 NECESSARY.

11                  (IV) 1. THE DEPARTMENT SHALL ESTABLISH A NOMINAL  
12 COPAYMENT THAT AN ELIGIBLE INDIVIDUAL IS REQUIRED TO PAY TO OBTAIN A  
13 VOUCHER.

14                  2. THE DEPARTMENT SHALL DEPOSIT ALL MONEY  
15 RECEIVED FOR COPAYMENTS INTO THE FUND.

16                  (V) 1. AN ELIGIBLE INDIVIDUAL MAY PURCHASE A  
17 VOUCHER FROM THE DEPARTMENT BY SUBMITTING TO THE DEPARTMENT:

18                  A. A COMPLETED APPLICATION ON A FORM  
19 PRESCRIBED BY THE DEPARTMENT;

20                  B. PROOF ACCEPTABLE TO THE DEPARTMENT THAT  
21 THE INDIVIDUAL IS ELIGIBLE FOR A VOUCHER UNDER SUBPARAGRAPH (II) OF  
22 THIS PARAGRAPH; AND

23                  C. THE COPAYMENT.

24                  2. THE DEPARTMENT SHALL PROVIDE AN ELIGIBLE  
25 INDIVIDUAL WHO PURCHASES A VOUCHER WITH THE VOUCHER AND A LIST OF  
26 PARTICIPATING VETERINARIANS IN THE STATE, BROKEN DOWN REGIONALLY.

27                  3. AN ELIGIBLE INDIVIDUAL WHO PURCHASES A  
28 VOUCHER MAY REDEEM THE VOUCHER FOR A FREE SPAY OR NEUTER SURGERY  
29 AND, IF NECESSARY, A FREE RABIES SHOT FOR THE INDIVIDUAL'S CAT OR DOG  
30 BY A PARTICIPATING VETERINARIAN.

1                   4.     **THE PARTICIPATING VETERINARIAN MAY NOT**  
2 **BILL ANY ADDITIONAL CHARGES TO THE ELIGIBLE INDIVIDUAL IN RELATION TO**  
3 **THE SPAY OR NEUTER SURGERY OR RABIES SHOT.**

4                   (VI) 1.    **THE PARTICIPATING VETERINARIAN MAY SUBMIT**  
5 **THE REDEEMED VOUCHER TO THE DEPARTMENT FOR REIMBURSEMENT.**

6                   2.     **THE DEPARTMENT SHALL REIMBURSE A**  
7 **PARTICIPATING VETERINARIAN OUT OF THE FUND FOR EACH VOUCHER AT THE**  
8 **PREVIOUSLY NEGOTIATED RATE.**

9                   (VII) **THE DEPARTMENT MAY USE MONEY IN THE FUND TO**  
10 **FINANCE PUBLIC EDUCATION AND OUTREACH EFFORTS WITH RESPECT TO THE**  
11 **VOUCHER PROGRAM.**

12                  (3) (I)   **THE FUND MAY BE USED TO FINANCE SELECTED**  
13 **COMPETITIVE GRANT PROPOSALS SUBMITTED BY A LOCAL GOVERNMENT OR AN**  
14 **ANIMAL WELFARE ORGANIZATION TO FACILITATE AND PROMOTE THE**  
15 **PROVISION OF SPAY AND NEUTER SERVICES FOR CATS AND DOGS.**

16                  (II)   **THE DEPARTMENT SHALL SOLICIT AND EVALUATE**  
17 **COMPETITIVE GRANT PROPOSALS.**

18                  (III) **A COMPETITIVE GRANT PROPOSAL:**

19                   1.     **SHALL TARGET LOW-INCOME COMMUNITIES AND**  
20 **POPULATIONS TO THE MAXIMUM EXTENT POSSIBLE AND DETAIL HOW THAT**  
21 **GOAL IS TO BE ACCOMPLISHED;**

22                   2.     **MAY TARGET FERAL CAT POPULATIONS IF THE**  
23 **DEPARTMENT DETERMINES THAT THIS TARGETING DOES NOT VIOLATE LOCAL**  
24 **LAW;**

25                   3.     **SHALL EFFICIENTLY AND EFFECTIVELY**  
26 **FACILITATE AND PROMOTE THE PROVISION OF SPAY AND NEUTER SERVICES**  
27 **FOR CATS AND DOGS; AND**

28                   4.     **MAY INCLUDE PUBLIC EDUCATION AND**  
29 **OUTREACH COMPONENTS.**

30                  (IV) **THE DEPARTMENT SHALL EVALUATE A COMPETITIVE**  
31 **GRANT PROPOSAL BASED ON:**

1                   **1. THE STANDARDS ESTABLISHED UNDER**  
2 **SUBPARAGRAPH (III) OF THIS PARAGRAPH; AND**

3                   **2. ANY ADDITIONAL STANDARDS THE DEPARTMENT**  
4 **ADOPTS BY REGULATION CONSISTENT WITH THIS SECTION.**

5                   **(V) THE DEPARTMENT SHALL ADOPT REGULATIONS**  
6 **REQUIRING A GRANT RECIPIENT TO REPORT RELEVANT INFORMATION ON HOW**  
7 **THE GRANT WAS USED, INCLUDING DATA ON THE NUMBER AND TYPE OF SPAY**  
8 **OR NEUTER SURGERIES PERFORMED AND A DESCRIPTION OF ANY PUBLIC**  
9 **EDUCATION AND OUTREACH IMPLEMENTED.**

10                   **(VI) THE DEPARTMENT MAY USE MONEY IN THE FUND TO**  
11 **FINANCE PUBLIC EDUCATION AND OUTREACH EFFORTS FOR THE COMPETITIVE**  
12 **GRANT PROGRAM.**

13           **(H) (1) THERE IS A SPAY/NEUTER ADVISORY BOARD.**

14                   **(2) (I) THE ADVISORY BOARD CONSISTS OF SEVEN MEMBERS.**

15                   **(II) THE MEMBERS SHALL BE REPRESENTATIVE OF ALL**  
16 **PHASES OF ANIMAL CONTROL AND ANIMAL WELFARE INTERESTS IN THE STATE.**

17                   **(III) THE GOVERNOR, WITH THE ADVICE OF THE**  
18 **SECRETARY, SHALL APPOINT THE MEMBERS AND THE CHAIR OF THE ADVISORY**  
19 **BOARD.**

20                   **(3) THE DEPARTMENT SHALL PROVIDE STAFF SUPPORT FOR THE**  
21 **ADVISORY BOARD.**

22                   **(4) A MEMBER OF THE ADVISORY BOARD:**

23                   **(I) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF**  
24 **THE ADVISORY BOARD; BUT**

25                   **(II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES**  
26 **UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE**  
27 **STATE BUDGET.**

28                   **(5) THE ADVISORY BOARD SHALL ADVISE THE DEPARTMENT**  
29 **WITH RESPECT TO:**

- 1                   **(I) THE ADMINISTRATION OF THE FUND;**
- 2                   **(II) ESTABLISHING APPROPRIATE REIMBURSEMENT RATES**  
3 **FOR SPAY AND NEUTER SURGERIES AND RABIES SHOTS;**
- 4                   **(III) ESTABLISHING APPROPRIATE NOMINAL COPAYMENTS**  
5 **FOR VOUCHERS;**
- 6                   **(IV) THE SOLICITATION AND EVALUATION OF COMPETITIVE**  
7 **GRANT PROPOSALS;**
- 8                   **(V) APPROPRIATE ADDITIONAL STANDARDS FOR GRANT**  
9 **PROPOSALS;**
- 10                  **(VI) ADDITIONAL RELEVANT DATA THAT THE DEPARTMENT**  
11 **SHOULD REQUIRE FROM LOCAL ANIMAL SHELTERS AND APPROPRIATE ANIMAL**  
12 **CONTROL ORGANIZATIONS;**
- 13                  **(VII) THE ADOPTION OF REGULATIONS THAT IMPLEMENT**  
14 **THIS SECTION; AND**
- 15                  **(VIII) ANY OTHER APPROPRIATE MATTER WITH RESPECT TO**  
16 **THE IMPLEMENTATION OF THE FUND IN THE DISCRETION OF THE**  
17 **DEPARTMENT.**
- 18           **(I) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**  
19 **FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**
- 20                   **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID**  
21 **INTO THE FUND.**
- 22           **(J) BEGINNING JANUARY 1, 2014, EACH COUNTY AND MUNICIPAL**  
23 **ANIMAL CONTROL SHELTER AND EACH ORGANIZATION THAT CONTRACTS WITH**  
24 **A COUNTY OR MUNICIPALITY FOR ANIMAL CONTROL SHALL REPORT TO THE**  
25 **DEPARTMENT ON A FORM PRESCRIBED BY THE DEPARTMENT DESCRIBING FOR**  
26 **THE PREVIOUS 3 MONTHS:**
- 27                   **(1) THE NUMBER OF CATS AND DOGS TAKEN IN;**
- 28                   **(2) THE NUMBER OF CATS AND DOGS DISPOSED OF, BROKEN**  
29 **DOWN BY METHOD OF DISPOSAL, INCLUDING EUTHANASIA; AND**
- 30                   **(3) ANY OTHER RELEVANT DATA THE DEPARTMENT REQUIRES.**



1           **(K) BY AUGUST 31, 2014, AND EACH YEAR THEREAFTER, THE**  
2 **DEPARTMENT SHALL SUBMIT A REPORT TO THE GOVERNOR AND, IN**  
3 **ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE**  
4 **GENERAL ASSEMBLY THAT DESCRIBES THE ACTIVITIES FINANCED BY THE**  
5 **FUND IN THE PREVIOUS FISCAL YEAR, INCLUDING:**

6                   **(1) THE NUMBER OF VOUCHERS ISSUED AND USED;**

7                   **(2) A DESCRIPTION OF ALL GRANT PROPOSALS SELECTED FOR**  
8 **FUNDING AND GRANT PROGRAMS IMPLEMENTED;**

9                   **(3) A STATEMENT OF THE NUMBER OF SPAY AND NEUTER**  
10 **SURGERIES PERFORMED UNDER EACH GRANT PROPOSAL SELECTED;**

11                   **(4) A DESCRIPTION OF AND ACCOUNTING FOR ANY PUBLIC**  
12 **EDUCATION AND OUTREACH EFFORTS MADE FOR THE BENEFIT OF FUND**  
13 **PROGRAMS; AND**

14                   **(5) A SUMMARY OF THE INFORMATION REPORTED TO THE**  
15 **DEPARTMENT BY LOCAL ANIMAL CONTROL SHELTERS AND ORGANIZATIONS**  
16 **THAT CONTRACT WITH LOCAL GOVERNMENTS FOR ANIMAL CONTROL UNDER**  
17 **SUBSECTION (J) OF THIS SECTION.**

18           **(L) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THIS**  
19 **SECTION.**

20 6-103.

21           Registration fees constitute a special fund to be used only to defray partially the  
22 cost of inspection, sampling, analysis, and other expenses necessary for administering  
23 this subtitle. Notwithstanding any other provisions of this Code, any unexpended  
24 funds up to a maximum of \$100,000 may not revert to the General Fund of the State  
25 at the end of the fiscal year.

26 6-107.

27           (a) Except as provided in subsection (e) of this section, a distributor shall  
28 register each brand name or product name of commercial feed before distributing it in  
29 the State. Customer-formula feeds and contract feeds are exempt from registration if  
30 the registration fee is paid on the commercial feeds which they contain.

31           (b) The registration application for commercial feeds shall be submitted on  
32 forms furnished by the Secretary, and shall also be accompanied by a label or other  
33 printed matter describing the product if requested by the Secretary. The application

1 shall include the information required by §§ 6–109, 6–110, and 6–111 of this subtitle.  
2 When the Secretary has approved the registration, he shall furnish a copy to the  
3 applicant.

4 (c) The annual registration fee for each commercial feed distributed in the  
5 State is \$50. Customer–formula feeds and contract feeds are exempt if the registration  
6 fee is paid on the commercial feeds which they contain.

7 (d) Each registration expires April 30 each year.

8 (e) Provided the product label has not been altered or changed, a distributor  
9 may not be required to register any brand of commercial feed which has been  
10 registered under this subtitle by another person.

#### 11 **6–107.4.**

12 (A) THE SECRETARY SHALL ESTABLISH A SURCHARGE OF \$100 ON  
13 EACH COMMERCIAL FEED REGISTERED IN THE STATE UNDER § 6–107 OF THIS  
14 SUBTITLE.

15 (B) THE SURCHARGE SHALL BE PAID BY THE PERSON REGISTERING  
16 THE COMMERCIAL FEED ACCORDING TO THE COLLECTION AND REPORTING  
17 GUIDELINES ESTABLISHED BY THE DEPARTMENT BY REGULATION.

18 (C) ANY SURCHARGES COLLECTED UNDER THIS SECTION SHALL BE  
19 PAID INTO THE SPAY/NEUTER FUND ESTABLISHED UNDER § 2–303.1 OF THIS  
20 ARTICLE.

#### 21 **Article – State Finance and Procurement**

#### 22 **6–226.**

23 (a) (2) (i) Notwithstanding any other provision of law, and unless  
24 inconsistent with a federal law, grant agreement, or other federal requirement or with  
25 the terms of a gift or settlement agreement, net interest on all State money allocated  
26 by the State Treasurer under this section to special funds or accounts, and otherwise  
27 entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue  
28 to the General Fund of the State.

29 (ii) The provisions of subparagraph (i) of this paragraph do not  
30 apply to the following funds:

31 69. the Maryland Legal Services Corporation Fund; [and]

32 70. Mortgage Loan Servicing Practices Settlement Fund;

33 **AND**

1

**71. THE SPAY/NEUTER FUND.**

2           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
3   October 1, 2013. It shall remain effective for a period 6 years and, at the end of  
4   September 30, 2019, with no further action required by the General Assembly, this Act  
5   shall be abrogated and of no further force and effect.