AN ACT concerning

Department of Agriculture – Spay/Neuter Fund – Extension and Fee on Commercial Feed Report

FOR the purpose of altering a certain fee on commercial feed prepared and distributed for consumption by dogs or cats and registered in the State in a certain manner requiring the Department of Agriculture to report, on or before a certain date, to the General Assembly on the Spay/Neuter Fund; extending the termination provisions for certain provisions of law relating to the Spay/Neuter Fund; and generally relating to the Spay/Neuter Fund.

BY repealing and reenacting, without amendments,
Article – Agriculture
Section 2–1602 and 2–1603
Annotated Code of Maryland
(2016 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,
Article – Agriculture
Section 2–1603
Annotated Code of Maryland
(2016 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
Brackets] indicate matter deleted from existing law.
Underlining indicates amendments to bill.
Strikeout indicates matter stricken from the bill by amendment or deleted from the law by amendment.
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Agriculture

2–1602.

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

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

(c) The Department shall administer the Fund.

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

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

(e) The Fund consists of:

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

(2) Money appropriated in the State budget to the Fund;

(3) Any investment earnings of the Fund; and

(4) Any other money from any other source accepted for the benefit of the
Fund.

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

(2) (i) The Fund may be used to finance selected competitive grant
proposals submitted by a local government or an animal welfare organization to facilitate
and promote the provision of spay and neuter services for cats and dogs.
The Department shall solicit and evaluate competitive grant proposals.

A competitive grant proposal:

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

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

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

4. May include public education and outreach components.

The Department shall evaluate a competitive grant proposal based on:

1. The standards established under subparagraph (iii) of this paragraph; and

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

The Department shall adopt regulations requiring a grant recipient to report relevant information on how the grant was used, including data on the number and type of spay or neuter surgeries performed and a description of any public education and outreach implemented.

The Department may use money in the Fund:

1. To finance public education and outreach efforts for the competitive grant program; and

2. For the reasonable costs of administering the Fund.

The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

Any investment earnings of the Fund shall be paid into the Fund.

Beginning January 1, 2014, each county and municipal animal control shelter and each organization that contracts with a county or municipality for animal control shall report quarterly to the Department on a form prescribed by the Department describing for the previous 3 months:
(1) The number of cats and dogs taken in;

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

(3) Any other relevant data the Department requires.

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

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

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

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

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

2–1603.

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

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

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

(2) The fee established under this subsection is:

(i) From October 1, 2013, through September 30, 2014, inclusive, $50;

(ii) From October 1, 2014, through September 30, 2015, inclusive, $75; and

(iii) After September 30, 2015, through September 30, 2022, inclusive, $100;

(iv) From October 1, 2022, through September 30, 2027, inclusive, $125; and
(vi) **On or after October 1, 2027, $150.**

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

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

**Chapter 561 of the Acts of 2013**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013. It shall remain effective for a period of [9] 19 years and, at the end of September 30, [2022] 2032, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

**Chapter 562 of the Acts of 2013**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013. It shall remain effective for a period of [9] 19 years and, at the end of September 30, [2022] 2032, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1, 2021, the Department of Agriculture shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the Spay/Neuter Fund, including:

1. spay and neuter programs that are not receiving funding from the Spay/Neuter Fund;
2. the market capacity for increasing the fees assessed on each brand name or product name of commercial feed under § 2–1603 of the Agriculture Article; and
3. a proposed fee structure that can be implemented over the next 5 to 10 years to enhance the revenue generated from the fees assessed under § 2–1603 of the Agriculture Article.

SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October June 1, 2021.