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## FISCAL IMPACT REPORT

<b>SPONSOR</b> <u>Lujan/Sanchez</u>	<b>LAST UPDATED</b> _____
	<b>ORIGINAL DATE</b> <u>2/3/2025</u>
<b>SHORT TITLE</b> <u>Ignition-Resistant Construction</u>	<b>BILL NUMBER</b> <u>House Bill 220</u>
	<b>ANALYST</b> <u>Gygi</u>

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

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Courts	No fiscal impact	No fiscal impact	No fiscal impact			N/A

Parentheses ( ) indicate expenditure decreases.  
 \*Amounts reflect most recent analysis of this legislation.

Relates to Senate Bill 33

### Sources of Information

LFC Files

#### Agency Analysis Received From

New Mexico Attorney General (NMAG)  
 New Mexico Mortgage Finance Authority (MFA)

#### Agency Analysis was Solicited but Not Received From

Regulation and Licensing Department (RLD)  
 Department of Homeland Security and Emergency Management (DHSEM)

## SUMMARY

### Synopsis of House Bill 220

House Bill 220 (HB220) amends New Mexico statute regarding property, including the Homeowner Association Act (Sections 47-16-1 to 47-16-18 NMSA 1978), to prevent unreasonable restrictions on the use of ignition-resistant construction materials and landscaping methods designed to mitigate fire hazards. Key provisions include:

- Any covenant, contract, or deed restriction that prohibits or unreasonably limits ignition-resistant construction or landscaping is void and unenforceable. This does not apply to legitimate safety requirements under applicable building codes.
- Homeowner association bylaws cannot prohibit or restrict ignition-resistant construction or require landscaping that poses a fire hazard.
- Homeowner associations may develop reasonable design standards but must process applications for fire-resistant modifications within 60 days. If no response is given within this period, the application is automatically approved. Any denial must be provided in writing

with a clear, reasonable explanation.

- "Fire hazard" means any condition that increases the risk of fire ignition or spread.
- "Ignition-resistant construction" means fire-resistant building and landscaping methods that meet the Insurance Institute for Business and Home Safety requirements.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

## FISCAL IMPLICATIONS

The New Mexico Attorney General (NMAG) and New Mexico Mortgage Finance Authority (MFA) do not foresee any fiscal impact from HB220.

## SIGNIFICANT ISSUES

HB220 aims to enhance fire safety, reduce wildfire risks, prevent outdated homeowner associations restrictions from endangering residents, and ensures a fair approval process for fire-resistant modifications. As a trade-off, homeowner associations may lose some control over neighborhood aesthetics.

Colorado recently passed HB24-1091, which ensures homeowner associations cannot prevent the use of fire-resistant materials in construction. Of particular concern are requirements for wooden fences and decks, and cedar shingles, which make individual homes and neighborhoods particularly vulnerable to wind-blown embers.

California has mandated wildfire building codes for more than a decade in high-risk areas,<sup>1</sup> but other states, including Oregon and Colorado, have been unsuccessful in passing similar legislation. Such legislation has faced strong opposition from home builders. Firefighters and insurance experts support more options to harden properties against wildfires, but face opposition largely due to the misperception that such construction is more expensive than conventional building construction.<sup>2</sup>

The National Conference of State Legislators warns states that wildfires are becoming more frequent and widespread, and that mitigation requires long-term strategies, but is more difficult to fund and implement than suppression.<sup>3</sup>

NMAG notes some states have enacted "ignition resistant construction guides" in their building codes. For example, Montana's guide can be found at [firesafemt.org](https://firesafemt.org). The 2018 International Wildland-Urban Interface Code (IWUIC) defines "ignition resistant construction" (see <https://codes.iccsafe.org/content/IWUIC2018/chapter-2-definitions>).

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<sup>1</sup> <https://www.npr.org/2020/11/25/936685629/rebuilding-after-a-wildfire-most-states-dont-require-fire-resistant-materials>

<sup>2</sup> <https://headwaterseconomics.org/wildfire/homes-risk/building-costs-codes/>

<sup>3</sup> <https://www.ncsl.org/state-legislatures-news/details/the-heat-is-on-lessons-in-state-wildfire-management-and-budgeting>

HB220 does not include a definition for “ignition resistant construction” except by reference to the Insurance Institute for Business and Home Safety (IBHS.org) requirements. NMAG states that the terms “fire hazard” and “ignition-resistant construction” are not included in New Mexico’s building codes, which could create potential enforcement issues.

NMAG states it is unclear whether HB220’s provisions apply to condominiums or timeshare projects or to “landscaping vegetation.”

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

House Bill 220 relates to Senate Bill 33 (SB33) - Wildfire Prepared Act, which would set standards for building codes, defensible space requirements, and ordinances that will reduce the threat of wildfires and fire hazards to property.

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