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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 2/3/2025

SPONSOR Serrato/Martinez, A.

BILL

SHORT TITLE Local Restrictions on Certain Fences **NUMBER** House Bill 228

ANALYST Ortega

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Counties and Municipalities	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal		Recurring	County and Municipal General Funds

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

Sources of Information

LFC Files

Agency Analysis Received From
New Mexico Municipal League (NMML)

Agency Analysis was Solicited but Not Received From
Department of Finance and Administration (DFA)
New Mexico Counties
Council of State Governments (CSG)

SUMMARY

Synopsis of House Bill 228

House Bill 228 (HB228) limits the authority of county and municipal governments to regulate battery-charged fences with alarm systems, except in areas zoned exclusively for residential use. The bill prohibits counties and municipalities from:

- Banning battery-charged fences outside residential zones;
- Imposing regulations inconsistent with international electrotechnical standards; and
- Requiring additional permits beyond a standard alarm permit.

It also establishes operational standards for battery-charged fences, including:

- The use of a battery not exceeding 12 volts direct current;
- Installation behind a non-electric perimeter fence at least 5 feet high;
- A height of 10 ft or at least 2 ft higher than the perimeter fence, whichever is higher; and
- Warning signs placed at 30 ft intervals.

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

House Bill 228 does not include an appropriation for its implementation and has no known fiscal impact. The New Mexico Municipal League (NMML) states that the bill would have a minimal fiscal impact on municipalities in administering its provisions.

For example, local governments that currently require additional permits or impose specific installation requirements for battery-charged fences may see a reduction in fee revenue, as counties and municipalities will be limited in their ability to regulate these fences and alarm systems outside of residential zoning areas. However, the fiscal impact is likely insignificant, as alarm system permits remain allowable and the restrictions apply only to non-residential zones.

Municipalities and counties may also incur minor costs related to enforcement and compliance monitoring of battery-charged fences under the standards set in the bill.

SIGNIFICANT ISSUES

NMML notes that HB228 shifts permitting and zoning authority away from local governments, which have local planning and zoning boards that address regulations for battery-charged fences, allowing them to tailor policies to their unique residential and commercial needs.

AO/hj/SL2