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# FISCAL IMPACT REPORT

**LAST UPDATED** \_\_\_\_\_

**SPONSOR** Sanchez, J./Gonzales, A. **ORIGINAL DATE** 02/20/2025

**BILL**

**SHORT TITLE** Livestock Running in Certain Communities **NUMBER** House Bill 471

**ANALYST** Sanchez

## ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
NMLB	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	General Fund

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

### Sources of Information

LFC Files

Agency Analysis Received From  
 Department of Public Safety (DPS)  
 Livestock Board (NMLB)

Agency Analysis was Solicited but Not Received From  
 Association of Counties (COGs)  
 Department of Finance and Administration (DFA)  
 Municipal League (ML)

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from state, education, or judicial agencies. If that analysis is received, this analysis could be updated.

## SUMMARY

### Synopsis of House Bill 471

House Bill 471 (HB471) seeks to amend Section 77-14-7 NMSA 1978, to impose restrictions on livestock running at large within certain designated areas. Specifically, the bill makes it unlawful for livestock owners to willfully allow their animals to roam freely within a town, conservancy district, irrigation district, military reservation, enclave, or a newly defined category termed “traditional historic community.”

The bill provides that an owner who knowingly permits livestock to run at large is guilty of a misdemeanor and will be penalized accordingly. Additionally, HB471 introduces a statutory definition for “traditional historic community,” though the specific criteria for such designation are not included in the provided excerpt. The proposed amendments aim to enhance livestock

containment regulations, particularly in areas with historical and residential significance, where free-roaming livestock could pose safety, environmental, or property concerns.

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 471 does not include an appropriation and is not expected to have a direct fiscal impact on state agencies. No new revenue streams or expenditure obligations are created for state government, and the New Mexico Livestock Board (NMLB) has not identified an estimated operating budget impact. However, the bill may have indirect fiscal effects on livestock owners and communities classified as traditional historic communities under Section 3-7-1.1 NMSA 1978.

The proposed restrictions on livestock running at large could result in additional costs for affected landowners. Compliance may require investment in fencing, alternative grazing arrangements, or modifications to existing livestock management practices. The extent of these costs will likely vary based on geographic and economic factors specific to each designated community.

If implementation leads to increased enforcement responsibilities, administrative burdens, or legal challenges, local governments or the judicial system could face associated costs. NMLB noted that the potential enforcement and administrative impact on its operations is currently unknown. If enforcement responsibilities increase, additional resources may be required, though the extent of these needs is not yet determined.

Additionally, NMLB raised concerns regarding the potential economic effects on livestock-dependent communities. If the bill results in limitations on grazing practices, some landowners may experience financial impacts due to reduced access to pastureland. While the bill seeks to regulate livestock containment within specific areas, policymakers may wish to consider how these provisions align with existing state statutes governing livestock management and property rights, such as Section 77-16-1 NMSA 1978, which addresses fencing requirements in areas outside municipalities.

## **SIGNIFICANT ISSUES**

HB471 expands existing restrictions on livestock running at large by applying them to traditional historic communities as defined in Section 3-7-1.1 NMSA 1978. These communities have historically permitted open grazing, and the bill's provisions may affect long-standing agricultural practices. While the legislation seeks to regulate livestock containment, the extent to which it will impact land use, property rights, and community traditions remains a point of consideration.

The bill's definition of a "traditional historic community" includes "an unincorporated area of a county," which may encompass a broad range of rural areas. This could result in differing interpretations of the statute's applicability across counties, potentially affecting implementation and enforcement. Additionally, there may be overlaps or conflicts with existing livestock regulations, such as Section 77-16-1 NMSA 1978, which establishes fencing requirements outside municipal areas.

NMLB raised concerns about how the proposed changes align with the historical intent of “traditional historic community” designations. These communities were originally recognized, in part, to protect agricultural and grazing practices from municipal annexation or zoning changes. Restricting open grazing could alter the character of these areas and may necessitate further clarification regarding how local governments, landowners, and regulatory agencies will navigate compliance and enforcement.

SS/hj/SR