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HOUSE BILL 46

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

INTRODUCED BY

Eleanor Chávez

AN ACT

RELATING TO FINANCIAL INSTITUTIONS; AMENDING THE DEFINITION OF  
"HEALTH-RELATED EQUIPMENT" BY REMOVING REAL PROPERTY;  
CLARIFYING THE APPLICATION OF THE TAX EXEMPTION FOR REAL  
PROPERTY FIRST PURCHASED, ACQUIRED, LEASED, FINANCED OR  
REFINANCED PRIOR TO JULY 1, 2025 WITH THE PROCEEDS OF BONDS  
ISSUED PURSUANT TO THE HOSPITAL EQUIPMENT LOAN ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 58-23-3 NMSA 1978 (being Laws 1983,  
Chapter 290, Section 3, as amended) is amended to read:

"58-23-3. DEFINITIONS.--As used in the Hospital Equipment  
Loan Act:

A. "board" means the board of directors of the  
council;

B. "bonds" means bonds, notes, interim

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1 certificates, bond anticipation notes or other evidences of  
2 indebtedness of the council issued pursuant to the Hospital  
3 Equipment Loan Act, including refunding bonds;

4 C. "cost" as applied to health-related equipment  
5 means any and all costs of equipment, including but not limited  
6 to the following:

7 (1) all direct or indirect costs of the  
8 acquisition, including repair, restoration, reconditioning,  
9 financing and refinancing or installation of the health-related  
10 equipment;

11 (2) the cost of any property interest in the  
12 health-related equipment, including an option to purchase or a  
13 lease-hold interest;

14 (3) the cost of architectural, engineering,  
15 planning, drafting, legal and any incidental or related  
16 services necessary for acquisition of the health-related  
17 equipment;

18 (4) the cost of all financing charges and  
19 interest accrued prior to the acquisition or refinancing of the  
20 health-related equipment for a maximum of two years after or  
21 prior to such acquisition or refinancing;

22 (5) all direct and indirect costs incurred in  
23 connection with the financing of the health-related equipment,  
24 including out-of-pocket expenses; the cost of financing; legal,  
25 accounting, financial, advisory and consulting expenses; the

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1 cost of ~~[any]~~ a policy of insurance; the cost of printing,  
2 engraving and reproduction services; and costs associated with  
3 ~~[any]~~ trust indenture; and

4 (6) ~~[any]~~ the costs incurred by the council  
5 for the administration of ~~[any]~~ a program for the purchase,  
6 sale or lease of or the making of loans for health-related  
7 equipment to ~~[any]~~ a participating health-care provider;

8 D. "council" means the New Mexico hospital  
9 equipment loan council;

10 E. "health facility" means ~~[any]~~ a person that:

11 (1) is licensed by the ~~[department of]~~ health  
12 care authority to provide health-related services, assisted  
13 living support or long-term care;

14 (2) provides health-related research; or

15 (3) is properly accredited or certified and  
16 eligible to receive medicare or medicaid reimbursement for all  
17 or part of its activities ~~[providing]~~ that provide mental  
18 health services, developmental disabilities services or related  
19 specialized support to or on behalf of persons or a defined  
20 group of persons;

21 F. "health-related equipment" means ~~[any real or]~~  
22 personal property, an instrument, a service or an operational  
23 necessity that is found and determined by the council to be  
24 needed, directly or indirectly, for medical care, treatment or  
25 research or other equipment as ~~[otherwise]~~ might be needed to

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1 operate the health facility;

2 G. "participating health facility" means a public  
3 or private nonprofit or for-profit corporation, association,  
4 foundation, trust, cooperative, agency or other person or  
5 organization that operates or proposes to operate a health  
6 facility in New Mexico and contracts with the council for the  
7 financing or refinancing of the lease or acquisition of health-  
8 related equipment. Public, district, county, city, county-  
9 municipal or other municipal hospitals and hospitals affiliated  
10 with an institution of higher education in New Mexico are  
11 participating ~~[health-care]~~ health care facilities; and

12 H. "program" means the New Mexico hospital  
13 equipment loan program created by the Hospital Equipment Loan  
14 Act and administered by the council."

15 SECTION 2. Section 58-23-29 NMSA 1978 (being Laws 1983,  
16 Chapter 290, Section 29, as amended by Laws 2006, Chapter 90,  
17 Section 3 and by Laws 2006, Chapter 92, Section 3) is amended  
18 to read:

19 "58-23-29. EXEMPTION FROM TAXATION--ASSETS TO STATE UPON  
20 DISSOLUTION.--

21 A. All property acquired or held by the council  
22 under the Hospital Equipment Loan Act, income therefrom and  
23 bonds issued under the Hospital Equipment Loan Act, plus the  
24 interest payable and income derived from the bonds, shall be  
25 exempt from taxation by the state or any subdivision thereof.

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1 Upon dissolution of the council, its assets, after payment of  
2 its indebtedness, shall inure to the benefit of the state.

3 B. All health-related equipment purchased,  
4 acquired, leased, financed or refinanced with the proceeds of  
5 bonds issued under the Hospital Equipment Loan Act is exempt  
6 from property taxation for as long as the participating health  
7 facility remains liable for any amount under any lease, loan or  
8 other agreement securing the bonds, but not to exceed thirty  
9 years from the date the bonds were issued for the health-  
10 related equipment. Real property that was first purchased,  
11 acquired, leased, financed or refinanced prior to July 1, 2025  
12 with the proceeds of bonds issued pursuant to the Hospital  
13 Equipment Loan Act that is then purchased, acquired, leased,  
14 financed or refinanced on or after July 1, 2025 shall no longer  
15 be exempt from property taxation pursuant to this subsection."

16 SECTION 3. EFFECTIVE DATE.--The effective date of the  
17 provisions of this act is July 1, 2025.