

HOUSE BILL 169

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,
2000**

INTRODUCED BY

Nick L. Salazar

FOR THE LEGISLATIVE FINANCE COMMITTEE

AN ACT

RELATING TO THE COUNTY-SUPPORTED MEDICAID FUND; REQUIRING
TRANSFER OF ADDITIONAL COUNTY REVENUES TO THE COUNTY-
SUPPORTED MEDICAID FUND; AMENDING SECTIONS OF THE NMSA 1978.

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

Section 1. Section 27-10-3 NMSA 1978 (being Laws 1991,
Chapter 212, Section 3, as amended) is amended to read:

"27-10-3. COUNTY-SUPPORTED MEDICAID FUND CREATED--USE--
APPROPRIATION BY THE LEGISLATURE.--

A. There is created in the state treasury the
"county-supported medicaid fund". The fund shall be invested
by the state treasurer as other state funds are invested.
Income earned from investment of the fund shall be credited
to the county-supported medicaid fund. The fund shall not
revert in any fiscal year.

B. Money in the county-supported medicaid fund is

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1 subject to appropriation by the legislature to support the
2 state medicaid program and to institute or support primary
3 care health care services pursuant to Subsections D and E of
4 Section 24-1A-3.1 NMSA 1978. Of the amount appropriated each
5 year, ~~[nine]~~ seven percent shall be appropriated to the
6 department of health to institute or support primary care
7 health care services pursuant to Subsections D and E of
8 Section 24-1A-3.1 NMSA 1978.

9 C. Up to ~~[three]~~ two and one-half percent of the
10 county-supported medicaid fund each year may be expended for
11 administrative costs related to medicaid or developing new
12 primary care health care centers or facilities.

13 D. In the event federal funds for medicaid are not
14 received by New Mexico for any eighteen-month period, the
15 unencumbered balance remaining in the county-supported
16 medicaid fund and the sole community provider fund at the end
17 of the fiscal year following the end of any eighteen-month
18 period shall be paid within a reasonable time to each county
19 for deposit in the county indigent hospital claims fund in
20 proportion to the payments made by each county through tax
21 revenues or transfers in the previous fiscal year as
22 certified by the local government division of the department
23 of finance and administration. The ~~[department will]~~
24 division shall provide for budgeting and accounting of
25 payments to the fund."

Section 2. Section 27-10-4 NMSA 1978 (being Laws 1991,
Chapter 212, Section 4, as amended) is amended to read:

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1 "27-10-4. ALTERNATIVE REVENUE SOURCE TO IMPOSITION OF
2 COUNTY HEALTH CARE GROSS RECEIPTS TAX--TRANSFER TO COUNTY-
3 SUPPORTED MEDICAID FUND.--

4 A. In the event a county does not enact an
5 ordinance imposing a county health care gross receipts tax
6 pursuant to Section ~~[7-20D-3]~~ 7-20E-18 NMSA 1978, the county
7 shall, by ordinance to be effective July 1, 1993, dedicate to
8 the county-supported medicaid fund an amount equal to a gross
9 receipts tax rate of one-sixteenth of one percent applied to
10 the taxable gross receipts reported during the prior fiscal
11 year by persons engaging in business in the county. For
12 purposes of this subsection, a county may use funds from any
13 existing authorized revenue source of the county.

14 B. For each county that has in effect an ordinance
15 enacted pursuant to Subsection A of this section on July 1 of
16 each year, the taxation and revenue department shall certify
17 to the county by September 15, 1993 and by September 15 of
18 each subsequent fiscal year the amount of gross receipts
19 reported for the county for purposes of the gross receipts
20 tax during the prior fiscal year. Upon certification by the
21 department, any county enacting an ordinance pursuant to
22 Subsection A of this section shall transfer to the county-
23 supported medicaid fund by the last day of March, June,
24 September and December of each year an amount equal to a rate
25 of one-sixty-fourth of one percent applied to the certified
amount.

C. In addition to any other amount transferred to

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1 the county-supported medicaid fund, every county shall adopt
2 an ordinance dedicating annually to the county-supported
3 medicaid fund an amount equal to one-sixty-fourth of one
4 percent of the taxable gross receipts reported during the
5 prior fiscal year by persons engaging in business in the
6 county. The taxation and revenue department shall certify to
7 each county by September 15 of each fiscal year the amount of
8 taxable gross receipts reported for the county for the prior
9 fiscal year. Every county shall then transfer to the county-
10 supported medicaid fund by the last day of March, June,
11 September and December of each year an amount equal to one-
12 fourth of one-sixty-fourth of one percent of that certified
13 amount. For purposes of this subsection, a county may use
14 funds from any existing authorized revenue source of the
15 county.

16 [E-] D. The requirements of an ordinance enacted
17 pursuant to this section may be terminated for a county only
18 on the effective date of an ordinance enacted by the county
19 imposing the county health care gross receipts tax; provided
20 that if the effective date of the ordinance imposing the tax
21 is January 1, the termination does not apply to the payments
22 required for September and December of that year."

23 Section 3. EFFECTIVE DATE--CONTINGENCY.--The provisions
24 of this act shall become effective on July 1, 2000, September
25 1, 2000, December 1, 2000, March 1, 2001 or June 1, 2001,
whichever date first occurs after the secretary of human
services has received approval from the United States health

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1 and human services department for and begins implementation
2 of an amendment to the state medicaid plan making medicaid-
3 eligible an individual who is the parent of a child under
4 nineteen years of age who resides with that parent and whose
5 family income does not exceed seventy-five percent of the
6 federal poverty guidelines.

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