

1 SENATE BILL 348

2 **44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,**  
3 **2000**

4 INTRODUCED BY

5 Manny M. Aragon  
6

7  
8  
9  
10  
11 AN ACT

12 RELATING TO THE COUNTY-SUPPORTED MEDICAID FUND; REQUIRING  
13 TRANSFER OF ADDITIONAL COUNTY REVENUES TO THE COUNTY-  
14 SUPPORTED MEDICAID FUND; AMENDING SECTIONS OF THE NMSA 1978.  
15

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

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

19 "27-10-3. COUNTY-SUPPORTED MEDICAID FUND CREATED--USE--  
20 APPROPRIATION BY THE LEGISLATURE.--  
21

22 A. There is created in the state treasury the  
23 "county-supported medicaid fund". The fund shall be invested  
24 by the state treasurer as other state funds are invested.  
25 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

.131965.1

underscored material = new  
~~[bracketed material] = delete~~

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:

.131965.1

underscored material = new  
[bracketed material] = delete

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

.131965.1

underscored material = new  
~~[bracketed material] = delete~~

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

.131965.1

underscoring material = new  
~~[bracketed material] = delete~~

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.