## SENATE BILL 33

## 44TH LEGISLATURE - STATE OF NEW MEXICO - 2ND SPECIAL SESSION, 2000

INTRODUCED BY

Manny M. Aragon

## AN ACT

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

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

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

- C. Up to [three] two and one-half percent of the county-supported medicaid fund each year may be expended for administrative costs related to medicaid or developing new primary care health care centers or facilities.
- D. In the event federal funds for medicaid are not received by New Mexico for any eighteen-month period, the unencumbered balance remaining in the county-supported medicaid fund and the sole community provider fund at the end of the fiscal year following the end of any eighteen-month period shall be paid within a reasonable time to each county for deposit in the county indigent hospital claims fund in proportion to the payments made by each county through tax revenues or transfers in the previous fiscal year as certified by the local government division of the department of finance and administration. The [department will] division shall provide for budgeting and accounting of 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:

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

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

enacted pursuant to Subsection A of this section on July 1 of each year, the taxation and revenue department shall certify to the county by September 15, 1993 and by September 15 of each subsequent fiscal year the amount of gross receipts reported for the county for purposes of the gross receipts tax during the prior fiscal year. Upon certification by the department, any county enacting an ordinance pursuant to Subsection A of this section shall transfer to the county-supported medicaid fund by the last day of March, June, September and December of each year an amount equal to a rate of one-sixty-fourth of one percent applied to the certified amount.

## C. In addition to any other amount transferred to

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

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

Section 3. EFFECTIVE DATE--CONTINGENCY.--The provisions of this act shall become effective on July 1, 2000, September 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

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

Section 4. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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