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SENATE BILL 247

**51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

INTRODUCED BY

George K. Munoz

AN ACT

RELATING TO COUNTIES; AMENDING A PROVISION OF THE HOSPITAL  
FUNDING ACT TO EXEMPT CERTAIN HOSPITALS FROM LEASE, MANAGEMENT  
OR OPERATING CONTRACT PROVISION TERMINATIONS.

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

**SECTION 1.** Section 4-48B-5 NMSA 1978 (being Laws 1947,  
Chapter 148, Section 1, as amended) is amended to read:

"4-48B-5. POWER OF COUNTIES.--All counties shall have the  
following powers:

A. to purchase, own, maintain and operate  
hospitals;

B. to purchase the land necessary to construct  
hospitals;

C. to control and regulate county hospitals;

D. to construct county hospitals;

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1           E. to issue general obligation bonds and revenue  
2 bonds in the manner provided in the Hospital Funding Act for  
3 the construction, purchase, renovation, remodeling, equipping  
4 or re-equipping of a county hospital or a jointly owned county-  
5 municipal hospital and purchasing the land necessary therefor  
6 or for any combination of the foregoing purposes;

7           F. to charge for hospital services rendered and to  
8 reduce any charge made for care of a patient in whole or part  
9 when the charges are determined to be disputed in good faith or  
10 uncollectible;

11           G. to lease a hospital to any person, corporation  
12 or association for the operation and maintenance of the  
13 hospital upon terms and conditions as the county commissioners  
14 may determine;

15           H. to contract with the state, another county or  
16 counties, the federal government or its agencies, another  
17 political subdivision or a public or private corporation,  
18 organization or association for the care of the sick of the  
19 county;

20           I. to receive all funds appropriated from whatever  
21 source or paid by or on behalf of any patient of the hospital;

22           J. notwithstanding any other provision of law, to  
23 enter into leases, management or operating contracts, health  
24 care facilities contracts and other agreements authorized by  
25 the Hospital Funding Act for periods in excess of one year;

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1 provided that:

2 (1) the contract, lease or agreement may be  
3 terminated by the county without cause upon one hundred eighty  
4 days' notice after the first three years of the contract; and

5 (2) Paragraph (1) of this subsection shall not  
6 apply:

7 (a) during the portion of a lease term  
8 in which a lessee is obligated under the lease to make debt  
9 service payments on revenue bonds that finance all or part of  
10 the hospital or equipment for the hospital; or

11 (b) to a hospital operating within a  
12 class B county with a population of individuals who identify as  
13 American Indian or Alaska Native that exceeds seventy percent  
14 of the total county population as of the last federal decennial  
15 census;

16 K. to authorize the hospital governing board of a  
17 county hospital to exercise all powers that the county is  
18 granted by the Hospital Funding Act except the powers to issue  
19 bonds, call a mill levy election and levy the annual  
20 assessments for the mill levy authorized by the Hospital  
21 Funding Act;

22 L. to enter into a health care facilities contract  
23 with one or more hospitals that agree to provide facilities to  
24 the sick of the county;

25 M. to call a mill levy election as authorized by

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1 the Hospital Funding Act and to collect and distribute the  
2 proceeds of the mill levy pursuant to that act;

3 N. to distribute the proceeds of the mill levy  
4 authorized by the Hospital Funding Act to one or more county  
5 hospitals and one or more contracting hospitals or any  
6 combination thereof that provide facilities for the sick of the  
7 county, whether located within or without the county wherein  
8 the mill levy is collected;

9 O. to accept grants for constructing, equipping,  
10 operating and maintaining a county hospital;

11 P. to enter into an agreement with a municipality  
12 for constructing, equipping, operating and maintaining a  
13 jointly owned county-municipal hospital;

14 Q. to enter into an agreement with another county  
15 or counties, another county or counties and another political  
16 subdivision, an agency of the federal government or any other  
17 person, corporation, organization or association that provides  
18 that the parties to the agreement shall join together or form a  
19 legal entity for the purpose of making some or all purchases  
20 necessary for the operation of public hospitals or public and  
21 private hospitals subject to provisions of or exemptions from  
22 the Procurement Code;

23 R. to enter into an agreement with another county  
24 or counties, another political subdivision, an agency of the  
25 federal government or any other person, corporation,

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1 organization or association that provides that parties to the  
2 agreement shall join together or form a legal entity for the  
3 purpose of creating a network of health care providers or  
4 jointly operating a common health care service, subject to  
5 provisions of or exemptions from the Procurement Code;

6 S. to expend public money to recruit health care  
7 personnel to serve the sick of the county; and

8 T. to perform any other act or adopt any regulation  
9 necessary or expedient to carry out the provisions of the  
10 Hospital Funding Act."