

<b>LFC Requester:</b>	<b>Laird Graeser</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)  
*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

**Date Prepared:** 1/16/25 *Check all that apply:*  
**Bill Number:** HB46 Original  Correction   
 Amendment  Substitute

**Sponsor:** Rep. Eleanor Chávez **Agency Name and Code** HCA 630  
**Short Title:** Real Property from Health Related Equipment **Number:** \_\_\_\_\_  
**Person Writing** Rayna Fagus  
**Phone:** 505-699-5566 **Email** Rayna.fagus@hca.nm.

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$0	n/a	n/a

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0	\$0	n/a	n/a

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	0	0	0	0	n/a	n/a

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

##### Synopsis:

House Bill 46 (HB46) is 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. HB46 does not provide appropriations, only the exemption from property taxation as long as the participating health facility, specifically hospitals, remains liable, not to exceed thirty (30) years

#### **FISCAL IMPLICATIONS**

HB46 does not have a fiscal impact to neither the Medicaid Program nor State Health Benefits Program.

If hospitals would now need to pay property taxes on these assets there would be an increase to their costs which would be reported on the hospital cost report. The process to make this work would include the Hospital creating an account to track these expenses then report them on their cost report. These are generally allowable costs, and hospitals would be reimbursed for costs if the hospitals are cost settled, or if the cost report is used in a hospital re-base.

#### **SIGNIFICANT ISSUES**

none

#### **PERFORMANCE IMPLICATIONS**

none

#### **ADMINISTRATIVE IMPLICATIONS**

The HCA Medicaid current contracted audit agent completes yearly hospital cost report analysis, no additional audit agent cost will be associated. HCA would provide direction to audit agent following HB46 approval.

No IT impact.

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None

#### **TECHNICAL ISSUES**

none

#### **OTHER SUBSTANTIVE ISSUES**

None

#### **ALTERNATIVES**

none

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status Quo

**AMENDMENTS**

none