

<b>LFC Requester:</b>	<b>Hilla, Emily</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:** January 30, 2025 *Check all that apply:*  
**Bill Number:** SB197 Original  Correction   
 Amendment  Substitute

<b>Sponsor:</b> <u>Senator Pete Campos</u>	<b>Agency Name and Code Number:</b> <u>NMFA 385</u>
<b>Short Title:</b> <u>EMS SYSTEM IMPROVEMENT PROJECTS</u>	<b>Person Writing:</b> <u>Marquita D. Russel</u>
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(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>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: SB115 – PPRF Authorization Bill  
 Duplicates/Relates to Appropriation in the General Appropriation Act

## **SECTION III: NARRATIVE**

### **BILL SUMMARY**

Synopsis: SB197 amends the municipal and county bond revenue acts and the emergency medical service act (“EMS Fund Act”) to allow municipalities and counties to pledge emergency medical services fund (“EMS Fund”) distributions to the New Mexico Finance Authority (“NMFA”) for repayment of loans by intercept, as follows:

- Amends Section 3-31-1 to authorize municipalities to issue of EMS bonds for purchases of equipment for EMS improvement projects or EMS vehicles and provide specific authorization for Fund distributions to be irrevocably pledged to the payment of EMS bonds.
- Amends Section 4-62-1 to authorize counties to issue of EMS bonds for purchases of equipment for EMS improvement projects or EMS vehicles and provide specific authorization for Fund distributions to be irrevocably pledged to the payment of EMS bonds.
- Amends Section 24-10A-3 to authorize the state treasurer to redirect distributions from the EMS Fund Act to NMFA to make loans for EMS purchases authorized under the EMS Fund Act and by written ordinance or resolution passed by municipalities or counties and written agreement between the entity and NMFA.

### **FISCAL IMPLICATIONS**

The amendments made in SB 197 allow municipalities and counties seeking to purchase equipment for EMS improvement projects and EMS vehicles to access the low interest rates available through the PPRF. Fire protection equipment and law enforcement equipment loans from the PPRF typically receive a subsidized interest rate of either 0% or 2% for all or a portion of their loans.

### **SIGNIFICANT ISSUES**

SB 197 is modeled after the existing statutory framework for fire protection fund loans. NMSA 3-31-1(G) and 4-62-1(F) authorize municipalities and counties to enter into fire loans and pledge fire protection funds. NMSA 59A-53-7(B) allows the fire protection fund distribution to be redirected to NMFA to repay loans.

Municipalities and counties need specific authority to pledge EMS Fund distributions as security for loans. SB 197 will allow municipal and county EMS Fund distributions to be pledged as security for loans and for the distributions to be redirected to NMFA for repayment of loans.

Section 24- 10A 4.1 NMSA, states that Applications for funding to purchase emergency medical services vehicles shall be submitted by municipalities or counties on behalf of local recipients.

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

Municipalities and counties will continue to be unable to pledge EMS Fund distributions to the NMFA for repayment of loans for equipment for EMS improvement projects and EMS vehicles.