

LFC Requester:

Jennifer Faubion

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

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

Date Prepared: 2/4/2025

Check all that apply:

Bill Number: SB-249

Original V Correction
Amendment Substitute

Sponsor: Sen. Craig W. Brandt

Agency Name and Code Number: 305 – New Mexico
Department of Justice

Person Writing

Short Title: Health Care Provider Gross
Receipts

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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
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator’s request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis: SB-249 seeks to add a new section to the Public Assistance Act, NMSA 1978, §§ 27-2-1 to -34 (1973, as amended through 2024) (the Act). The bill requires that, when a health care provider receives Medicaid reimbursement for providing health care services, the provider be reimbursed for all applicable gross receipt taxes that the provider is required to pay, and be provided with an itemized list that, in part, sets forth how much money is being reimbursed to compensate the health care provider for gross receipts taxes. The bill also defines “medicaid” as “the federal-state program administered by the authority” under Title 19 or 21 of the federal Social Security Act, for the purposes of the added section.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

N/A

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

Although this bill requires the payment of funds and the performance of additional administrative tasks under the Act, there are no appropriations/provisions within the bill for either money or resources to the agency responsible for such reimbursement and/or lists.

Because the bill proposes to reimburse health care providers the gross receipts taxes that the providers are required to pay, at least insofar as the state portion of Medicaid is concerned, this may implicate the anti-donation clause. *Cf. Chronis v. State ex rel. Rodriguez*, 1983-NMSC-081, ¶ 30, 100 N.M. 342 (deeming a tax credit that reduced liquor retailers' gross receipts tax obligation an unconstitutional subsidy to the liquor industry in violation of the Anti-Donation Clause because the provision required neither an exchange nor consideration).

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

None.