

1 SENATE BILL 380

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

4 Pete Campos

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10 AN ACT

11 RELATING TO PUBLIC FUNDS; CREATING THE PHYSICIAN GRADUATE  
12 MEDICAL EDUCATION TRUST FUND AND THE PHYSICIAN GRADUATE MEDICAL  
13 EDUCATION PROGRAM FUND; MAKING A TRANSFER FROM THE GENERAL FUND  
14 TO THE PHYSICIAN GRADUATE MEDICAL EDUCATION TRUST FUND.

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

17 SECTION 1. [NEW MATERIAL] PHYSICIAN GRADUATE MEDICAL  
18 EDUCATION TRUST FUND.--

19 A. The "physician graduate medical education trust  
20 fund" is created as a nonreverting fund in the state treasury.  
21 The trust fund consists of distributions, appropriations,  
22 gifts, grants and donations. Income from the trust fund shall  
23 be credited to the trust fund. Money in the trust fund shall  
24 be expended only as provided in this section.

25 B. The state investment officer shall invest money

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1 in the trust fund in accordance with the prudent investor rule  
2 as set forth in Chapter 6, Article 8 NMSA 1978 and in  
3 consultation with the secretary of health care authority.

4 C. The state investment officer shall report  
5 quarterly to the legislative finance committee and the state  
6 investment council on the investments made pursuant to this  
7 section. An annual report shall be submitted no later than  
8 October 1 of each year to the legislative finance committee,  
9 the revenue stabilization and tax policy committee and any  
10 other appropriate interim committees.

11 D. On July 1 of each year, a distribution shall be  
12 made from the trust fund to the physician graduate medical  
13 education program fund in an amount equal to five percent of  
14 the average of the year-end market values of the trust fund for  
15 the immediately preceding three calendar years. If, on July 1  
16 of a year, the trust fund has been in effect for less than  
17 three calendar years, the distribution shall be in an amount  
18 equal to five percent of the average of the year-end market  
19 values of the trust fund for the immediately preceding number  
20 of calendar years that the trust fund has been in effect.

21 SECTION 2. [NEW MATERIAL] PHYSICIAN GRADUATE MEDICAL  
22 EDUCATION PROGRAM FUND.--

23 A. The "physician graduate medical education  
24 program fund" is created in the state treasury. The fund  
25 consists of distributions, appropriations, gifts, grants,

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1 donations and income from investment of the fund. The health  
2 care authority shall administer the fund. Money in the fund is  
3 subject to appropriation by the legislature to provide:

4 (1) for each fiscal year 2026 through 2028:

5 (a) up to two million five hundred  
6 thousand dollars (\$2,500,000) for supporting physician graduate  
7 medical education programs located in rural and underserved  
8 areas that are in the process of developing applications with  
9 the body responsible for accrediting physician graduate medical  
10 education programs;

11 (b) up to five hundred thousand dollars  
12 (\$500,000) for supporting physician graduate medical education  
13 programs located in rural and underserved areas that have been  
14 accredited by the body responsible for accrediting physician  
15 graduate medical education programs for less than one year; and

16 (c) up to the balance of the fund for  
17 further supporting physician graduate medical education  
18 programs located in rural and underserved areas that have been  
19 accredited by the body responsible for accrediting physician  
20 graduate medical education programs for more than one year; and

21 (2) for fiscal years beginning in fiscal year  
22 2029, up to the balance of the fund for supporting physician  
23 graduate medical education programs located in rural and  
24 underserved areas that have been accredited by the body  
25 responsible for accrediting physician graduate medical

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1 education programs for more than one year.

2 B. Expenditures from the fund shall be by warrant  
3 of the secretary of finance and administration pursuant to  
4 vouchers signed by the secretary of health care authority or  
5 the secretary's authorized representative. Any unexpended or  
6 unencumbered balance remaining at the end of a fiscal year  
7 shall revert to the physician graduate medical education trust  
8 fund."

9 SECTION 3. TRANSFER.--One hundred million dollars  
10 (\$100,000,000) is transferred from the general fund to the  
11 physician graduate medical education trust fund.