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HOUSE BILL 96

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

Alonzo Baldonado and Gregory A. Baca

AN ACT

RELATING TO COUNTY TAX LEVIES; AMENDING THE HOSPITAL FUNDING
ACT TO PROVIDE FOR A PETITION FOR ACTION TO USE OR REFUND
DEDICATED MILL LEVIES.

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

SECTION 1. Section 4-48B-12 NMSA 1978 (being Laws 1981,
Chapter 83, Section 12, as amended) is amended to read:

"4-48B-12. TAX LEVIES AUTHORIZED--PETITION FOR ACTION.--

A. The county commissioners are authorized to
impose a mill levy and collect annual assessments against the
net taxable value of the property in a county to pay the cost
of operating and maintaining county hospitals or to pay to
contracting hospitals in accordance with a health care
facilities contract and in class A counties to pay for the
county's transfer to the county-supported medicaid fund

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1 pursuant to Section 27-10-4 NMSA 1978 as follows:

2 (1) in class A counties as defined in Section
3 4-44-1 NMSA 1978, the mill levy shall not exceed a rate of six
4 dollars fifty cents (\$6.50), or any lower maximum amount
5 required by operation of the rate limitation provisions of
6 Section 7-37-7.1 NMSA 1978 upon a mill levy imposed pursuant to
7 this paragraph, on each one thousand dollars (\$1,000) of net
8 taxable value of property allocated to the county; however, if
9 the county uses any portion, not to exceed one dollar fifty
10 cents (\$1.50), of the rate authorized by this paragraph to meet
11 the requirement of Section 27-10-4 NMSA 1978, the provisions of
12 Section 7-37-7.1 NMSA 1978 do not apply to the portion of the
13 rate necessary to produce the revenues required; provided that
14 the portion of the rate does not exceed one dollar fifty cents
15 (\$1.50); and

16 (2) in other counties, the mill levy shall not
17 exceed four dollars twenty-five cents (\$4.25), or any lower
18 maximum amount required by operation of the rate limitation
19 provisions of Section 7-37-7.1 NMSA 1978 upon a mill levy
20 imposed pursuant to this paragraph, on each one thousand
21 dollars (\$1,000) of net taxable value of property allocated to
22 the county.

23 B. The mill levies provided in Paragraphs (1) and
24 (2) of Subsection A of this section shall be made at the
25 direction of the county commissioners, but only to the extent

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1 that the county commissioners deem it necessary to operate and
2 maintain county hospitals, to pay the amounts required in the
3 performance of any health care facilities contracts made
4 pursuant to the Hospital Funding Act and to provide for a class
5 A county's transfer to the county-supported medicaid fund
6 pursuant to Section 27-10-4 NMSA 1978.

7 C. In the event that the mill levy provided for in
8 Paragraph (1) of Subsection A of this section is not authorized
9 by the electorate or the resulting mill levy proceeds are not
10 remitted to the entity operating the hospital within a
11 reasonable time period, any lease for operation of the hospital
12 between a county and a state educational institution named in
13 Article 12, Section 11 of the constitution of New Mexico may,
14 at the option of the state educational institution, be
15 terminated immediately. Except as provided in Subsection D of
16 this section, in the event that the mill levy provided for in
17 Paragraph (1) of Subsection A of this section is authorized, an
18 amount not less than the amount that would be produced by a
19 mill levy at the rate of four dollars (\$4.00), or any lower
20 amount that would be required by operation of the rate
21 limitation provisions of Section 7-37-7.1 NMSA 1978 upon this
22 rate, on each one thousand dollars (\$1,000) of net taxable
23 value of property allocated to the county shall be provided
24 from the proceeds of the mill levy to the state educational
25 institution operating the hospital for hospital purposes unless

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1 the institution determines that the amount is not necessary.

2 D. A class A county imposing the mill levy provided
3 for in Paragraph (1) of Subsection A of this section may enter
4 into a mutual agreement with a state educational institution
5 named in Article 12, Section 11 of the constitution of New
6 Mexico operating the hospital permitting the transfer to the
7 county-supported medicaid fund by the county pursuant to
8 Section 27-10-4 NMSA 1978 of not to exceed the amount that
9 would be produced by a mill levy at a rate of one dollar fifty
10 cents (\$1.50) applied to the net taxable value of property
11 allocated to the county for the prior property tax year and
12 also not to exceed the amount that would be produced by
13 imposition of the county health care gross receipts tax.

14 E. The distribution of the mill levy authorized at
15 the rates specified in Subsection A of this section shall be
16 made to county and contracting hospitals as authorized in the
17 Hospital Funding Act.

18 F. Unless otherwise specified in the ballot measure
19 submitted to the electors of the county, within four years of
20 the effective date of the mill levy, the provision of the
21 services for which the mill levy was approved shall begin;
22 provided that the ballot measure shall not extend the beginning
23 date for the provision of services beyond seven years. If the
24 provision of services has not started within the required time
25 limit, any qualified elector of the county or owner of property

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1 that has been assessed the mill levy may petition the board of
2 county commissioners for action.

3 G. Within one year of submission of a petition for
4 action under this section, the board of county commissioners
5 shall:

6 (1) begin the provision of services for which
7 the mill levy was approved;

8 (2) submit a proposal to the electors of the
9 county to use the revenues from the mill levy for an
10 alternative purpose that is authorized by statute; or

11 (3) refund the revenues received from the mill
12 levy to the taxpayers of the properties assessed the mill levy.

13 H. If, pursuant to Subsection G of this section,
14 the electors of the county do not approve the use of the mill
15 levy for an alternative purpose authorized by statute or if the
16 revenues from the mill levy are refunded, the mill levy shall
17 be void."

18 **SECTION 2. EFFECTIVE DATE.--**The effective date of the
19 provisions of this act is July 1, 2017.