

<b>LFC Requester:</b>	<b>Jennifer Faubion</b>
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**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:**

[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)

*and*

[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)

*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**SECTION I: GENERAL INFORMATION**

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

Check all that apply:  
**Original**     **Amendment**      
**Correction**     **Substitute**   

**Date** 1/24/24  
**Bill No:** HB218

**Sponsor:** Rep. Jason Harper  
**Short Title:** RURAL HEALTH CARE TAX CREDIT DEFINITIONS

**Agency Name and Code**    HCA-630  
**Number:** \_\_\_\_\_  
**Person Writing**    Annabelle Martinez  
**Phone:** 505-690-2439    **Email** Annabellem.martinez

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$0	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0	\$0	\$0	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	\$0	\$0	\$0	\$0	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: HB218 Duplicates and Conflicts with HB163  
Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: House Bill 218 (HB218) is amending eligibility requirements by reducing the hours at a practice site from two thousand eighty to one thousand five hundred for the full credit and from one thousand forty but less than two thousand eighty for half credit to seven hundred ninety-two but less than one thousand five hundred eighty-four. HB218 is also amending the definition of “Rural” in the Rural Health Care Practitioner Tax Credit.

Current definition: “Rural” means an area or location identified by the department of health as falling outside of an urban area.

New definition: “Rural” means a rural county or an incorporated area of a partially rural county, as designated by the health resources and services administration of the United States Department of Health and Human Services.

**FISCAL IMPLICATIONS**

None for HSD

**SIGNIFICANT ISSUES**

None

**PERFORMANCE IMPLICATIONS**

Reducing the hours in HB218 could help address health care workforce shortages, which would ultimately improve access to care for Medicaid-enrolled members and all New Mexicans. The reduction in hours for the tax credit may increase service utilization among Medicaid individuals as providers recruited and retained in parts of the state with limited access to care.

**ADMINISTRATIVE IMPLICATIONS**

Improving access to health care, especially in rural areas, is a key priority for HSD. HB218 aligns with HSD’s efforts to support, increase, and expand the health care provider workforce in rural New Mexico.

No IT impact.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB218 duplicates and conflicts with HB163

**TECHNICAL ISSUES**

None

**OTHER SUBSTANTIVE ISSUES**

None

**ALTERNATIVES**

None

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

Status quo

**AMENDMENTS**

N/A