

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

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

**Analysis.nmlegis.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}*

*Check all that apply:*

**Original**  **Amendment**   
**Correction**  **Substitute**

**Date** 1/23/2024

**Bill No:** SB 113

**Sponsor:** R. Gonzales  
**Short Title:** TAOS MEDICAL FACILITY

**Agency Name and Code Number:** DFA-Local Government Division: 341  
**Person Writing:** Donna Stewart  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

| Appropriation |            | Recurring or Nonrecurring | Fund Affected |
|---------------|------------|---------------------------|---------------|
| FY24          | FY25       |                           |               |
|               | \$15,000.0 | Nonrecurring              | General Fund  |
|               |            |                           |               |

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

| Estimated Revenue |      |      | Recurring or Nonrecurring | Fund Affected |
|-------------------|------|------|---------------------------|---------------|
| FY24              | FY25 | FY26 |                           |               |
|                   |      |      |                           |               |
|                   |      |      |                           |               |

(Parenthesis ( ) Indicate Expenditure Decreases)

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

|              | <b>FY24</b> | <b>FY25</b> | <b>FY26</b> | <b>3 Year<br/>Total Cost</b> | <b>Recurring or<br/>Nonrecurring</b> | <b>Fund<br/>Affected</b> |
|--------------|-------------|-------------|-------------|------------------------------|--------------------------------------|--------------------------|
| <b>Total</b> |             |             |             |                              |                                      |                          |

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Senate Bill 113 (SB113) appropriates \$15 million to the Local Government Division (LGD) of the Department of Finance and Administration for the plan, design, construction and equipment of a medical facility in Taos in Taos County.

This bill would go into effect as of July 1, 2024.

**FISCAL IMPLICATIONS**

SB113 appropriates \$15 million from the general fund for expenditure in FY 2025 and subsequent fiscal years. Any unexpended funds or unencumbered funds at the end of a fiscal year will not revert to the general fund. The project has no expiration date. It is unclear whether the amount of the appropriation is sufficient to fully fund the project.

**SIGNIFICANT ISSUES**

SB113 does not include an expiration date which makes the appropriation difficult to budget and administer without a defined timeline for completion and reversion.

Taos County intends to use the funding for an annex of offices for the existing Holy Cross Medical Center on county-owned land. According to the county's existing lease agreement with Holy Cross Medical Center, the administration and planning of this project would fall to the tenant. Once complete, the project will be operated by Holy Cross Medical Center, which the county estimates to be completed in four years.

Holy Cross Medical Center is a non-profit organization and therefore this appropriation may violate the anti-donation clause.

**PERFORMANCE IMPLICATIONS**

**ADMINISTRATIVE IMPLICATIONS**

If the appropriation does not violate the anti-donation clause, LGD would enter into a grant agreement with Taos County to obligate funds and issue payment reimbursements for valid expenditures related to the appropriation language. The LGD would be tasked with ensuring the

legal requirements of the grant agreement are met and that the funding is monitored throughout its life cycle.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

An alternative option would be to include this project in the Capital Outlay bill so that it can be reviewed, tracked, monitored, and reported on with all other capital-related projects.

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

## **AMENDMENTS**