THE BOARD OF COUNTY COMMISSIONERS OF TORRANCE COUNTY

ORDINANCE NO. 2014-02

AN ORDINANCE DEDICATING, IN QUARTERLY INSTALLMENTS, AN AMOUNT EQUAL TO A GROSS RECEIPTS TAX OF ONE-TWELFTH (1/12) PERCENT APPLIED TO THE TAXABLE GROSS RECEIPTS REPORTED DURING THE PRIOR FISCAL YEAR BY PERSONS ENGAGED IN BUSINESS IN THE COUNTY TO THE NEWLY CREATED SAFETY NET CARE POOL FUND; AND PROVIDING AN EFFECTIVE DATE OF TRANSFERRING FUNDS

WHEREAS, on February 19, 2014, the New Mexico Legislature passed Senate Public Affairs Committee Substitute for Senate Bills 268 and 314 together with Senate Finance Committee Substitute for Senate Bill 368; and,

WHEREAS, the short title for this bill is "Sole Community Provider Federal Compliance"; and,

WHEREAS, the bill became law upon signing by the Governor on March 12, 2014; and

WHEREAS, the bill contained an emergency clause, making the law effective on March 12, 2014; and,

WHEREAS, the bill has been codified into law as the Laws of 2014, Chapter 79, Section 1; and,

WHEREAS, the Governor exercised her line-item veto 15 times prior to signing the referenced bill into law on March 12, 2014; and,

WHEREAS, Section 8 of the bill amended the Indigent Hospital and County Health Care Act by creating the Safety Net Care Pool Fund to be administered by the Human Services Department ("HSD"); and,

WHEREAS, the Safety Net Care Pool Fund is a non-reverting fund, which according to the bill, will consist of public funds transferred from counties for use by the HSD to make payments to qualifying hospitals under an agreement with the federal Centers for Medicare and Medicaid Services; and,

WHEREAS, Section 16 of the bill contained a provision that required a county to adopt an ordinance to be effective July 1, 2014 that dedicated to the Safety Net Care Pool Fund an amount equal to a gross receipts tax of one-twelfth (1/12) percent applied to the taxable gross receipts reported during the prior fiscal year by persons engaging in business in a county; and,

WHEREAS, Section 16 of the bill required further that any ordinance adopted by a county in compliance with the bill must transfer to the Safety Net Care Pool Fund by the last day of March, June, September and December of each year, an amount equal to one-fourth (1/4) of the county's payment to the Safety Net Care Pool Fund; and,

WHEREAS, the Board of County Commissioners of Torrance County does not agree and/or support the proposed legislation as it constitutes an unfunded mandate and places the

burden upon Torrance County, and the residents of Torrance County, to comply with Section 16 of the Bill.

NOW THEREFORE, BE IT ENACTED BY THE BOARD OF COUNTY COMMISSIONERS OF TORRANCE COUNTY AS FOLLOWS:

- 1. Annually, the County shall transfer to the Safety Net Care Pool Fund, described in Laws 2014, Ch. 79, Section 1, an amount that is equal to the gross receipts tax revenues generated by a gross receipts tax rate of one-twelfth (1/12) percent of the taxable gross receipts reported during the prior fiscal year by persons engaging in business in Torrance County.
- 2. The County will use the second one-eighth (1/8) percent county gross receipts tax that was adopted by Ordinance #93-1 with an effective date of July 1, 1993 as the tax that will transfer for the one-twelfth (1/12) percent to the Safety Net Care Pool Fund.
- 3. The annual payment of the County shall be made in quarterly payments no later than the last day of March, June, September and December, with the first payment being made by the last day of September 2014.

IT IS FURTHER ENACTED BY THE BOARD OF COUNTY COMMISSIONERS OF TORRANCE COUNTY that if the laws of 2014, Chapter 79, Section 1, is deemed unconstitutional, invalid, void, or is otherwise set aside, then this Ordinance shall be without legal effect and shall be rescinded automatically upon such declaration or determination.

THE BOARD OF COUNTY COMMISSIONERS OF TORRANCE COUNTY

County Attorney

TORRANCE COUNTY COMMISSION

Lonnie Freyburger, Chair

LeRoy M. Candelaria, Member

County Clerk

Leanne Tapia, Member

T O R R A N C E C O U N T Y
LINDA JARAMILLO, CLERK
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