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SENATE BILL 98

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

Timothy M. Keller

AN ACT

RELATING TO PUBLIC HEALTH; ENACTING THE HEALTH IMPACT REPORTING ACT; DIRECTING THE DEPARTMENT OF HEALTH TO DIRECT HEALTH POLICY INSTITUTES TO PROVIDE HEALTH IMPACT REPORTS FOR PROPOSED LEGISLATION THAT MAY AFFECT THE HEALTH OF COMMUNITIES; CREATING THE HEALTH IMPACT REPORTING FUND; CREATING AN ANNUAL ASSESSMENT UPON HEALTH INSURERS TO FUND HEALTH IMPACT REPORTING; AMENDING SECTIONS OF THE NMSA 1978; MAKING AN APPROPRIATION.

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

SECTION 1. [NEW MATERIAL] SHORT TITLE.--Sections 1 through 4 of this act may be cited as the "Health Impact Reporting Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Health Impact Reporting Act:

A. "community health" means health from a broad

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1 perspective, including access to health services; behavioral,
2 physical and dental population health indices; birth and
3 mortality rates; disease and injury prevention, control and
4 treatment; epidemiology; fitness; nutrition; obesity;
5 respiratory health; health professions; and health delivery
6 systems;

7 B. "health insurer" means a person duly authorized
8 to transact the business of health insurance in the state,
9 including a nonprofit health care plan, a health maintenance
10 organization and self-insurers not subject to federal
11 preemption;

12 C. "health policy institute" means:

13 (1) a division of the department of health;

14 (2) a health policy institute at a state
15 institution of higher learning; or

16 (3) a person with expertise in public health
17 with which the department of health contracts; and

18 D. "superintendent" means the superintendent of
19 insurance.

20 SECTION 3. [NEW MATERIAL] HEALTH IMPACT REPORTING.--

21 A. Beginning January 1, 2012, upon the request of
22 the legislative finance committee, the department of health
23 shall direct a health policy institute to prepare a written
24 health impact report containing an analysis of proposed
25 legislation and data supporting that analysis. A health policy

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1 institute may request that the committee have a health impact
2 report prepared for a piece of legislation. The analysis shall
3 include the proposed legislation's impact upon community
4 health.

5 B. The department of health shall provide a health
6 impact report created pursuant to Subsection A of this section
7 on a web site that is readily accessible to the public and make
8 the analysis otherwise available to the public upon request.

9 C. A health impact report shall be based upon the
10 best available evidence and shall identify:

11 (1) potential significant community health
12 impacts, including, but not limited to, what areas of community
13 health the proposed legislation will affect;

14 (2) the research upon which the health policy
15 institute relies for its analysis;

16 (3) gaps in the data available to the health
17 policy institute for its analysis;

18 (4) the standards and process that the health
19 policy institute uses for determining the significance of any
20 community health impact; and

21 (5) alternatives to the proposed legislation
22 that may be considered.

23 D. As part of its health impact report, the health
24 policy institute shall create a monitoring plan for legislation
25 that it reviews. The monitoring plan shall include the

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- 1 following components as they relate to community health:
- 2 (1) goals for monitoring the legislation's
 - 3 effect in the long term;
 - 4 (2) the outcomes and indicators to be assessed
 - 5 in the monitoring;
 - 6 (3) lead individuals or organizations to
 - 7 conduct the monitoring;
 - 8 (4) an identification of resources and data
 - 9 collection tools to conduct, complete and report the
 - 10 monitoring; and
 - 11 (5) a mechanism to report monitoring outcomes
 - 12 to the legislature and stakeholders.

13 SECTION 4. [NEW MATERIAL] HEALTH IMPACT REPORTING
14 ASSESSMENT--HEALTH IMPACT REPORTING FUND CREATED--
15 ADMINISTRATION.--

16 A. The superintendent shall collect annually a
17 health impact reporting fee from health insurers operating in
18 the state. The total annual assessment on all health insurers
19 shall not exceed one hundred thousand dollars (\$100,000). The
20 superintendent shall pay the fees to the state treasurer, who
21 shall credit the fees to the health impact reporting fund.

22 B. The "health impact reporting fund" is created in
23 the state treasury. The fund consists of money that is
24 credited to the fund pursuant to Subsection A of this section,
25 reversions to the fund of the unexpended balances of

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1 appropriations from the fund, appropriations made to the fund
2 and investment income credited to the fund. Money in the fund
3 shall not revert to any other state fund at the end of any
4 fiscal year and shall not be expended for any purpose except as
5 provided in this section. Income from investment of the fund
6 shall be credited to the fund.

7 C. Upon warrant of the secretary of finance and
8 administration pursuant to vouchers signed by the
9 superintendent or the superintendent's authorized
10 representative, disbursements from the health impact reporting
11 fund may be made to the department of health for the costs it
12 incurs in providing or contracting to provide health impact
13 reports pursuant to the Health Impact Reporting Act.

14 SECTION 5. Section 2-5-4.1 NMSA 1978 (being Laws 1979,
15 Chapter 229, Section 1, as amended) is amended to read:

16 "2-5-4.1. LEGISLATIVE SYSTEMS--COORDINATION WITH OTHER
17 AGENCIES--FISCAL IMPACT INFORMATION--DYNAMIC FORECASTING PILOT
18 PROJECT.--

19 A. The legislative finance committee shall
20 cooperate with the office of the governor, the department of
21 finance and administration and the taxation and revenue
22 department in designing a timely and accurate system of
23 providing fiscal impact and other pertinent information to the
24 legislature concerning pending legislation.

25 B. If the legislative finance committee finds that

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1 the legislation will have an impact on community health, the
2 committee shall request the department of health to direct a
3 health policy institute to prepare a written health impact
4 report pursuant to the Health Impact Reporting Act. The
5 committee shall include the health impact report information in
6 its fiscal impact reporting. For the purposes of this section,
7 "community health" means health from a broad perspective,
8 including access to health services; behavioral, physical and
9 dental population health indices; birth and mortality rates;
10 disease and injury prevention, control and treatment;
11 epidemiology; fitness; nutrition; obesity; respiratory health;
12 health professions; and health delivery systems.

13 [B-] C. Beginning January 1, 2004, a two-year
14 dynamic forecasting pilot project shall be conducted by the
15 legislative finance committee, the department of finance and
16 administration, the taxation and revenue department and the
17 [~~state highway and~~ department of transportation [~~department~~]
18 in which fiscal impact information provided to the legislature
19 concerning legislation that proposes one or more changes to
20 laws on taxation shall be prepared on the basis of assumptions
21 that estimate the probable behavioral response of taxpayers,
22 businesses and other persons to the proposed changes. This
23 requirement applies only to legislation:

24 (1) introduced during the second session of
25 the forty-sixth legislature and the first session of the forty-

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1 seventh legislature; and

2 (2) determined by the legislative finance
3 committee, pursuant to a static fiscal estimate, to have a
4 fiscal impact when fully implemented in excess of ten million
5 dollars (\$10,000,000) in a fiscal year.

6 [~~G-~~] D. The legislative finance committee shall
7 cooperate with the department of finance and administration and
8 other necessary executive agencies to develop the methodology
9 to implement the dynamic forecasting pilot project pursuant to
10 the requirements of Subsection [~~B~~] C of this section.

11 [~~D-~~] E. Following the first session of the forty-
12 seventh legislature, the legislative finance committee shall
13 evaluate the success of the dynamic forecasting pilot project
14 required by Subsection [~~B~~] C of this section and determine if
15 dynamic forecasting should become a permanent feature of fiscal
16 impact analyses. In making this determination, the legislative
17 finance committee shall consider if this process:

18 (1) provides a reliable and reasonably
19 accurate analytic tool to aid legislators in determining the
20 effect of proposed legislation;

21 (2) can be accomplished with a reasonable
22 amount of resources; and

23 (3) can be incorporated into fiscal impact
24 estimates in a form that is easily understood and usable."

25 **SECTION 6.** Section 59A-6-5 NMSA 1978 (being Laws 1984,

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1 Chapter 127, Section 105, as amended) is amended to read:

2 "59A-6-5. DISTRIBUTION OF DIVISION COLLECTIONS.--

3 A. All money received by the division for fees,
4 licenses, penalties and taxes shall be paid daily by the
5 superintendent to the state treasurer and credited to the
6 "insurance department suspense fund" except as provided by:

7 (1) the Law Enforcement Protection Fund Act;

8 (2) Section 59A-6-1.1 NMSA 1978; and

9 (3) the Voter Action Act.

10 B. The superintendent may authorize refund of money
11 erroneously paid as fees, licenses, penalties or taxes from the
12 insurance department suspense fund under request for refund
13 made within three years after the erroneous payment. In the
14 case of premium taxes erroneously paid or overpaid in
15 accordance with law, refund may also be requested as a credit
16 against premium taxes due in any annual or quarterly premium
17 tax return filed within three years of the erroneous or excess
18 payment.

19 C. The "insurance operations fund" is created in
20 the state treasury. The fund shall consist of the
21 distributions made to it pursuant to Subsection D of this
22 section. The legislature shall annually appropriate from the
23 fund to the division those amounts necessary for the division
24 to carry out its responsibilities pursuant to the Insurance
25 Code and other laws. Any balance in the fund at the end of a

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1 fiscal year greater than one-half of that fiscal year's
2 appropriation shall revert to the general fund.

3 D. At the end of every month, after applicable
4 refunds are made pursuant to Subsection B of this section, the
5 treasurer shall make the following transfers from the balance
6 remaining in the insurance department suspense fund:

7 (1) to the "fire protection fund", that part
8 of the balance derived from property and vehicle insurance
9 business;

10 (2) to the insurance operations fund, that
11 part of the balance derived from the fees imposed pursuant to
12 Subsections A and E of Section 59A-6-1 NMSA 1978 other than
13 fees derived from property and vehicle insurance business;

14 [~~and~~]

15 (3) to the general fund, the balance remaining
16 in the insurance department suspense fund derived from all
17 other kinds of insurance business; and

18 (4) to the health impact reporting fund, that
19 part of the balance derived from the health impact reporting
20 fee imposed pursuant to Subsection A of Section 4 of the Health
21 Impact Reporting Act."