

**HB 23 E-CIGARETTE AND E-LIQUID ACT (Patricio D Ruiloba)****Position:** **Priority:** **Category:****Current Location:** HRC**Referrals:** HRC

HPREF [2] not prntd-HRC

**Scheduled on - Date:** **Time:** **Location:****Updated on - Date:**2020-01-22**Introduced on - Date:**2019-12-16[HB 23 PDF](#) | [HB 23 FIR](#)**Bill Action History***click location to see committee info*

Date	Location/Committee	Action
2020-01-22 [2]	HPREF - House Rules and Order of Business	Not printed
2019-12-16 [99]	- House Prefiled Legislation	Sent to location

**Synopsis:**

House Bill 23 (HB 23) creates the E-Cigarette and E-Liquid Act (Act) and removes regulation of e-cigarettes and e-liquid from the Tobacco Act (formerly the "Tobacco Products E-Cigarette and Nicotine Liquid Container Act"). This bill raises the age limit for sales of e-cigarettes and e-liquid to minors younger than 21 years of age. HB 23 provides licensure requirements and fees and prescribes the powers and duties to the regulation and licensing department. This bill also provides administrative and criminal penalties and appeals. HB 23 Section 12 creates the "e-cigarette and e-liquid administration fund" and in Section 47 appropriates one-million dollars (\$1,000,000) from the General Fund to administer the provisions of the Act. The statute is to take effect July 1, 2020.

**Analysis:**

House Bill 23 (HB 23) creates the E-Cigarette and E-Liquid Act (Act) and removes regulation of e-cigarettes and e-liquid from the Tobacco Act (formerly the "Tobacco Products E-Cigarette and Nicotine Liquid Container Act". HB 23 Section 12 creates the "e-cigarette and e-liquid administration fund" and in Section 47 appropriates one-million dollars (\$1,000,000) from the General Fund to administer the provisions of the Act. The statute is to take effect July 1, 2020.

HB 23 Sections 1-35 are new and detail how e-cigarettes and e-liquid shall be regulated. The sections also focus on the protection of minors under the age of 21. Sections 36-46 remove all references to e-cigarettes and nicotine liquid containers from the Tobacco Act.

The sections of the E-cigarettes and E-liquid Act are created or amended as follows:

Section 1 of House Bill 23 (HB 23) enacts the E-Cigarette and E-Liquid Act and declares Sections 1-35 of this act may be cited as the "E-Cigarette and E-Liquid Act".

Section 2 provides Definitions to be used in the Act, including a definition "minor" to mean an individual who is younger than 21 years of age.

Section 3 directs that the Regulation and Licensing Department shall issue licenses for the manufacture, distribution or sale of e-cigarettes or e-liquid in New Mexico to applicants who meet the requirements of the Act. The department shall issue or renew licenses. HB 23 defines the time span for the license. This section defines the conditions under which a license shall not be granted.

Section 4 states the requirement for an e-cigarette or e-liquid manufacturer license and designates the requirements, application and renewal requirements, forms and a nonrefundable license fee of one-thousand dollars (\$1,000), or a lesser amount as prorated pursuant to Section 8 of the Act.

Section 5 states the requirement for an e-cigarette or e-liquid distributor license issued by the department to that person for that location to be submitted on a form prescribed by the department with a nonrefundable license fee of five-hundred dollars (\$500), or a lesser amount as prorated pursuant to Section 8 of the Act.

Section 6 states the requirement for a retailer license issued by the department to that person, application and renewal requirements, forms and a nonrefundable license fee of one-hundred, fifty

dollars (\$150) for a license issued to a person for a first retail location, or a lesser amount as prorated pursuant to Section 8 of the Act, and \$10.00 for each retail license issued for each subsequent retail location.

Section 7 requires that if the information submitted in an application pursuant to the Act for a license or for a license renewal changes, the licensee shall notify the department within 10 business days of the change. If a change in the information required for an application results in a violation of the Act, the department may impose an administrative penalty as provided.

Section 8 prescribes the proration of fees for retailers, manufacturers and distributors.

Section 9 provides that the department shall grant or deny an application for a license or for a license renewal made pursuant to the Act not later than sixty (60) days after the complete application is filed. If the department fails to respond within sixty (60) days, the application shall be deemed approved. The department shall approve the application for issuance of a license or for a license renewal if the department determines that the applicant meets the requirements of the Act.

This section also requires that the department shall state the reasons for the denial. The applicant may reapply within thirty (30) days after the date of the denial. The department shall not charge a fee for a reapplication made within that period.

Section 10 addresses license transfers and notice of changes. Section 10 provides that a license shall not be transferred to another person or location. To transfer a license from one location to another, the licensee shall file an application for the proposed transfer. The department shall allow the transfer unless any of the conditions provided in Subsection C of Section 3 of the Act exist.

Section 11 requires that a license be displayed. A license issued for a location at which e-cigarettes or e-liquid is manufactured, distributed or sold at shall be prominently displayed at that location so that it is in full public view at all times. A copy or scanned image or facsimile of the license may be displayed only up to thirty (30) days or until the original license is received by the licensee, whichever occurs first; provided that the copy or scanned image or facsimile is of the original, current and duly issued license.

Section 12 creates the "e-cigarette and e-liquid administration fund" in the state treasury, which consists of fees, penalties, appropriations, gifts, grants and donations. Money in the fund at the end of a fiscal year shall not revert to any other fund. The department shall administer the fund, and money in the fund is appropriated to the department for the administration of the Act. Disbursements from the fund shall be made by warrant of the secretary of finance and administration pursuant to vouchers signed by the superintendent of regulation and licensing or the superintendent's authorized representative.

Section 13 directs that application fees and administrative penalties collected by the department pursuant to the Act shall be deposited into the e-cigarette and e-liquid administration fund.

Section 14 provides that if the department denies, suspends or revokes a license, denies the transfer of a license or imposes an administrative penalty against a licensee, the licensee shall be entitled to a hearing pursuant to the procedures provided in the Uniform Licensing Act; provided that subpoenas shall be issued and enforced in accordance with the provisions of Section 32 of the Act.

Section 15 allows a licensed manufacturer may use flavoring as an ingredient in e-liquid, and a licensed distributor or licensed retailer may sell e-liquid containing flavors.

Section 16 specifies prohibited sales, manufacturing labeling, marketing restrictions and safety requirements to protect a minor.

Section 17 requires a retailer or an employer of a retailer to request documentary evidence of age and identity of a consumer purchasing an e-cigarette or e-liquid. A retailer or an employee of a retailer shall not knowingly, intentionally or negligently fail to verify the age of a consumer purchasing an e-cigarette or e-liquid.

Section 17 defines the requirements for the documentary evidence. It also allows the following defenses for a retailer or distributor accused of selling or distributing an e-cigarette or e-liquid to a person who is a minor:

- (1) the consumer produced a driver's license or an identification card in accordance with Subsection B

of this section indicating that the consumer was of legal age to make the purchase; and (2) for a sale made through a delivery sales method, the retailer or distributor had an age verification completed in accordance with Subsection C of this section indicating that the consumer was of legal age to make the purchase.

Section 18 provides that a minor shall not present false evidence of age or identity for the purpose of procuring or attempting to procure an e-cigarette or e-liquid.

Section 19 provides that a retailer selling goods at a retail location in New Mexico shall not use a self-service display for e-cigarettes or e-liquid. This section restricts vending machine sales to only in age-controlled locations where minors are not permitted pursuant to the age requirements in the Act. The provisions of this section do not apply to delivery sales of e-cigarettes or e-liquid that are in accordance with the Act.

Section 20 prohibits a person from providing free samples of e-cigarettes or e-liquid to a minor.

Section 21 requires that a retailer shall prominently display in the place where e-cigarettes or e-liquid is sold and where an e-cigarette or e-liquid vending machine is located a printed sign or decal that reads as follows: "A PERSON LESS THAN 21 YEARS OF AGE WHO PURCHASES AN E-CIGARETTE OR E-LIQUID IS SUBJECT TO A FINE OF UP TO \$100. A PERSON WHO SELLS AN E-CIGARETTE OR E-LIQUID TO A PERSON LESS THAN 21 YEARS OF AGE IS SUBJECT TO A FINE OF UP TO \$1,000."

Section 22 requires the retailer must receive full payment for the purchase and shall accept payment from the consumer prior to shipping e-cigarettes or e-liquid for a delivery sale. Also, a retailer may ship e-cigarettes or e-liquid only to a consumer whose age has been verified pursuant to Section 17 of the Act. A retailer taking a delivery sale order may request the email address of the consumer.

Section 23 defines the criminal penalties for a person who violates a provision of Subsection A, C, D or F of Section 16 or Sections 19 through 21 of the Act. A person who violates these provisions is guilty of a misdemeanor and shall be sentenced pursuant to the provisions of Section 31-19-1 NMSA 1978. Each violation is a separate and distinct offense.

Section 24 provides that a person who manufactures, distributes or sells e-cigarettes or e-liquid without a license required pursuant to the Act is guilty of a misdemeanor and shall be sentenced in accordance with the provisions of Section 31-19-1 NMSA 1978.

Section 25 provides that a minor who procures, attempts to procure or possesses an e-cigarette or e-liquid in violation of Section 16 of the Act or who violates Section 18 of the Act is guilty of a petty misdemeanor and shall be punished by a fine not to exceed \$100 or eight hours of community service.

Section 26 provides that the department may suspend or revoke a license of manufacturer, distributor or retailer licensees or impose an administrative penalty against a licensee in an amount not more than \$10,000, or both, if the department finds that the licensee, an employee of the licensee or a contractor acting on behalf of the licensee has violated a provision of the Act; provided that a violation of the provisions of Section 16 or 17 of the Act shall be solely subject to the provisions of Section 27 of that act.

Section 27 provides penalties for sales to minors or failure to verify age. The department shall impose administrative penalties against a retailer if the retailer, an employee of the retailer or contractor acting on behalf of the retailer sells, offers to sell, barter or gives an e-cigarette or e-liquid to a minor or fails to verify the age of a consumer in violation of the provisions of Section 16 or 17 of the Act. This section defines penalties for violations from 1 to 4 times.

Section 28 states that the department of public safety and the appropriate law enforcement authorities in each county and municipality shall conduct random, unannounced inspections of facilities where e-cigarettes or e-liquid is sold to ensure compliance with the provisions of the Act.

Section 29 assigns authority to the department of public safety over all investigations and enforcement activities required under the Act except for those provisions relating to the issuance, denial, suspension or revocation of licenses, unless its assistance is requested by the superintendent of regulation and

licensing.

Section 30 defines reporting requirements and assigns authority for investigations. Within 30 days following the date of issuance of a citation pursuant to the provisions of the Act, the department of public safety or the law enforcement agency of a municipality or county shall report alleged violations of that act to the regulation and licensing department. The superintendent of regulation and licensing may request the investigators of the department of public safety to investigate licensees or activities that the superintendent has reasonable cause to believe are in violation of the Act.

Section 31 assigns to the department authority over all matters relating to the issuance, denial, suspension, revocation or transfer of licenses. The superintendent of regulation and licensing may request the department of public safety to provide investigatory and enforcement support as deemed necessary.

For the purpose of administering the licensing provisions of the Act, Section 31 authorizes the superintendent of regulation and licensing to examine and to require the production of any pertinent records, books, information or evidence, to require the presence of any person and to require that person to testify under oath concerning the subject matter of the inquiry and to make a permanent record of the proceedings. This section details the procedure, time requirements and evidence and powers to enforce subpoenas required for administering these provisions.

This section requires the regulation and licensing department shall require criminal history background checks to be conducted by the department of public. For purposes of conducting the criminal history background check, the regulation and licensing department shall require the fingerprinting of applicants for licenses as required by the Act. Fingerprint cards shall be submitted by the regulation and licensing department to the department of public safety records bureau for processing through the federal bureau of investigation. The superintendent shall establish procedures within the regulation and licensing department to maintain the confidentiality of information received from the department of public safety and the federal bureau of investigation.

Section 33 states that the superintendent of regulation and licensing shall issue and file as required by law all rules and orders necessary to administer the licensing provisions of the Act. Directives issued by the superintendent of regulation and licensing shall be in a form substantially as rules, rulings or orders.

Section 34 provides that when a municipality or county, including a home rule municipality or urban county, adopts an ordinance or a regulation pertaining to sales of e-cigarettes or e-liquid, the ordinance or regulation shall be consistent with the provisions of the Act.

Section 35 states that the provisions of the Act do not apply to the lawful purchase or use by a minor of a tobacco-cessation product approved by the federal food and drug administration.

The following sections remove references to e-cigarette and nicotine liquid containers throughout.

Section 36 amends Section 30-49-1 NMSA 1978 (being Laws 1993, Chapter 244, Section 1, as amended) to change the short title to be "Tobacco Products Act".

Section 37 amends the Tobacco Products Act Section 30-49-2 definitions to delete references to e-cigarette and nicotine liquid containers. It also adds a definition for "self-service display".

Section 38 amends Section 30-49-3 NMSA 1978 (being Laws 1993, Chapter 244, Section 3, as amended) to delete references to e-cigarettes and nicotine liquid containers throughout this section.

Section 39 amends Section 30-49-5 NMSA 1978 (being Laws 1993, Chapter 244, Section 5, as amended) to delete references to e-cigarettes and nicotine liquid containers throughout this section.

Section 40 amends Section 30-49-6 NMSA 1978 (being Laws 1993, Chapter 244, Section 6, as amended) to delete references to e-cigarettes or nicotine liquid containers throughout this section.

Section 41 amends Section 30-49-7 NMSA 1978 (being Laws 1993, Chapter 244, Section 7, as amended) to delete references to e-cigarettes or nicotine liquid containers throughout this section and the definition of "self-service display".

Section 42 amends Section 30-49-8 NMSA 1978 (being Laws 1993, Chapter 244, Section 8, as amended) to delete references to e-cigarettes or nicotine liquid containers throughout this section.

Section 43 amends Section 30-49-9 NMSA 1978 (being Laws 1993, Chapter 244, Section 9, as amended) to delete references to e-cigarettes or nicotine liquid containers.

Section 44 amends Section 30-49-10 NMSA 1978 (being Laws 1993, Chapter 244, Section 10, as amended) to change the division name from alcohol and gaming to the alcoholic beverage control division. This section also deletes references to e-cigarettes or nicotine liquid containers throughout.

Section 45 amends Section 30-49-11 NMSA 1978 (being Laws 1993, Chapter 244, Section 11, as amended) to delete e-cigarettes or nicotine liquid containers throughout and revised the name of the act to Tobacco Products Act.

Section 46 amends Section 30-49-13 NMSA 1978 (being Laws 2015, Chapter 98, Section 12) to delete e-cigarettes or nicotine liquid containers throughout.

Section 47 appropriates one-million dollars (\$1,000,000) from the General Fund to the e-cigarette and e-liquid administration fund for expenditure in Fiscal Year 2021 and subsequent fiscal years to administer the provisions of the E-Cigarette and E-Liquid Act. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the General Fund.

Section 48 establishes the effective date of the provisions of this act as July 1, 2020.

### Current Law:

The Tobacco Products E-Cigarette and Nicotine Liquid Container Act currently regulates e- cigarette and nicotine liquid containers.

### Relationship to Other Bills:

Senate Bill 9

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## HB 54 BAN CERTAIN TOBACCO PRODUCT SALES & SAMPLES (Elizabeth Thomson)

**Position:** support **Priority:** **Category:**

**Current Location:** HRC

**Referrals:** HRC

HPREF [2] not prntd-HRC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:**2020-01-22

**Introduced on - Date:**2019-12-19

[HB 54 PDF](#) | [HB 54 FIR](#)

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### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-01-22 [2]	HPREF - House Rules and Order of Business	Not printed
2019-12-24 [99]	HPREF - House Prefiled Legislation	Sent to location

### Synopsis:

House Bill 54 (HB 54) enacts a new section of the Tobacco Products, E-Cigarette and Nicotine Liquid Container Act, Section 30-49. NMSA 1978. HB 43 purpose is to ban the sale, purchase or provision of free samples of flavored tobacco products. HB 54 makes it unlawful to procure or attempt to procure any flavored tobacco product. HB 54 defines terms. HB 54 conforms requirements for certain notices with penalty provisions. HB 54 establishes penalties.

### Analysis:

House Bill 54 (HB 54) enacts a new section of the Tobacco Products, E-Cigarette and Nicotine Liquid Container Act, Section 30-49. NMSA 1978, titled: Prohibited Sale of Flavored Tobacco Products.

HB 54 makes it unlawful to knowingly sell, offer to sell, barter or give a flavored tobacco product to a person. HB 54 makes it unlawful to procure or attempt to procure any flavored tobacco product.

HB 54 defines terms. HB 54 allows for an exception when in practice of cultural or ceremonial activities in accordance with the federal American Indian Religious Freedom Act. HB 54 conforms requirements for certain notices with penalty provisions. HB 54 conforms other sections of law under Section 30-49. NMSA to comply with the requirements of this act. See the changes below.

Change to Tobacco Products, E-Cigarette and Nicotine Liquid Container Act, Definitions, Section 30-49-2. NMSA 1978. HB 54 adds the following three new definitions:

a) Characterizing Flavor means a distinguishable taste or aroma or both, other than the taste or aroma of tobacco, imparted by a tobacco product or any byproduct produced by the tobacco product. A tobacco product will not be determined to have a characterizing flavor solely because of the use of additives or flavorings or the provision of ingredient information.

b) Flavored Tobacco Product means any tobacco product that contains any ingredient, substance, chemical or compound, other than tobacco, water or reconstituted tobacco sheet that is added by the manufacturer to a tobacco product during the processing, manufacture or packing of a tobacco product, that imparts a characterizing flavor.

c) Tobacco Product means a (1) product that is made of or derived from tobacco or nicotine and that is intended for human consumption, whether smoked, heated, chewed, absorbed, dissolved, inhaled, snorted, sniffed or ingested by any other means and includes cigars, cigarettes, chewing tobacco, e-cigarettes, pipe tobacco or snuff; and (2) component, part or accessory used to consume tobacco but does not include a product approved by the United States Food and Drug Administration for sale as a tobacco-cessation product or for another therapeutic purpose, where the product is marketed and sold solely for that use, as approved by the United States Food and Drug Administration.

Change to Vending Machines--Restrictions on Sales of Tobacco Products, E-Cigarettes and Nicotine Liquid Containers, Section 30-49-7 NMSA 1978.

HB 54 makes a change to Subsection (B) to add content that allows for non-flavored tobacco products to be sold in vending machines.

Changed Subsection (B) states that tobacco products, e-cigarettes, and nicotine liquid containers may be sold by vending machines only:

(1) in age-controlled locations where minors are not permitted; and (2) if the tobacco products are not flavored tobacco products.

Change to Distribution of Tobacco Products, E-Cigarettes or Nicotine Liquid Containers as Free Samples Prohibited--Exception, Section 30-49-8. NMSA 1978.

HB 54 makes changes to this section for the purpose of making it unlawful to provide free samples of flavored tobacco products to a minor or a person and to conform this section to the requirements of this act.

HB 54 has also renamed this section as Distribution of Tobacco Products, Flavored Tobacco Products, E-Cigarettes or Nicotine Liquid Containers as Free Samples Prohibited--Exception.

Changed Subsection (A) clarifies that it is unlawful to provide free samples of tobacco products, e-cigarettes or nicotine liquid containers to a minor.

New Subsection (B) states that it is unlawful to provide free samples of flavored tobacco products to a person.

Exception in Accordance with the Federal American Indian Religious Freedom Act

Current Subsection (B) has been re-lettered as Subsection (C) and now states that the provisions of Subsections (A) and (B) of this section will not apply to an individual who provides free samples of tobacco products, flavored tobacco products, e-cigarettes or nicotine liquid containers in connection with

the practice of cultural or ceremonial activities in accordance with the federal American Indian Religious Freedom Act or its successor act.

Change to Signs--Point of Sale, Section 30-49-9 NMSA 1978.

HB 54 changes the required point-of-sale signs to reflect the following new penalties: 1) up to 48 hours of community service and 2) a criminal misdemeanor charge.

Signage now reads as:

A person less than 18 years of age who purchases a tobacco product, an e-cigarette or a nicotine liquid container or any person who purchases a flavored tobacco product is subject to a fine of up to \$100 or up to 48 hours of community service.

A person who sells a tobacco product, an e-cigarette or a nicotine liquid container to a person less than 18 years of age or who sells a flavored tobacco product is guilty of a criminal misdemeanor and is subject to a fine of up to \$1,000.

Change to Penalty, Section 30-49-12. NMSA 1978.

HB 54 adds references to Subsection (A)(1) and (B)(1) of this act, under this section of the law.

Changed Subsection (A) now state that any person who violates any provision of Subsection (A), (D) or (E) of Section 30-49-3 NMSA 1978, Section 30-49-7, 30-49-8 or 30-49-9 NMSA 1978 or Subsection (A) of Section 1 of this 2020 act is guilty of a misdemeanor and will be sentenced pursuant to the provisions of Section 31-19-1 NMSA 1978. Each violation is a separate and distinct offense.

Changed Subsection (B) now states that any minor who violates any provision of Subsection (B) of Section 30-49-3 NMSA 1978, Section 30-49-6 NMSA 1978 or Subsection B of Section 1 of this 2020 act will be punished by a fine not to exceed one hundred dollars (\$100) or forty-eight hours of community service.

### **Current Law:**

Vending Machines--Restrictions on Sales of Tobacco Products, E-Cigarettes and Nicotine Liquid Containers, Section 30-49-7 NMSA 1978. Subsection (A) Except as provided in Subsections B and C of this section: (1) a person shall not sell tobacco products, e-cigarettes or nicotine liquid containers at a retail location in New Mexico by any means other than a direct, face-to-face exchange between the customer and the seller or the seller's employee; and (2) a person selling goods at a retail location in New Mexico shall not use a self-service display for tobacco products, e-cigarettes or nicotine liquid containers. As used in this subsection, Self-Service Display means a display to which the public has access without the assistance of the seller or the seller's employee. Subsection (B) Tobacco products, e-cigarettes, and nicotine liquid containers may be sold by vending machines only in age-controlled locations where minors are not permitted. Subsection (C) The provisions of this section do not apply to written, telephonic or electronic sales of tobacco products. Distribution of Tobacco Products, E-Cigarettes or Nicotine Liquid Containers as Free Samples Prohibited--Exception, Section 30-49-8. NMSA 1978. Subsection (A) A person shall not provide free samples of tobacco products, e-cigarettes or nicotine liquid containers to a minor. Subsection (B) The provisions of Subsection A of this section shall not apply to an individual who provides free samples of tobacco products, e-cigarettes or nicotine liquid containers in connection with the practice of cultural or ceremonial activities in accordance with the federal American Indian Religious Freedom Act 42 U.S.C. 1996 and 1996a or its successor act. Signs--Point of Sale, Section 30-49-9. NMSA 1978. A person less than 18 years of age who purchases a tobacco product, an e-cigarette or a nicotine liquid container is subject to a fine of up to \$100. A person who sells a tobacco product, an e-cigarette or a nicotine liquid container to a person less than 18 years of age is subject to a fine of up to \$1,000. Penalty, Section 30-49-12. NMSA 1978. Subsection (A) Any person who violates any provision of Subsection A, D or E of Section 30-49-3. NMSA 1978 or Section 30-49-7, 30-49-8 or 30-49-9. NMSA 1978 is guilty of a misdemeanor and shall be sentenced pursuant to the provisions of Section 31-19-1 NMSA 1978. Each violation is a separate and distinct offense. Subsection (B) Any minor who violates any provision of Subsection B of Section 30-49-3. NMSA 1978 or Section 30-49-6 NMSA 1978 shall be punished by a fine not to exceed one hundred dollars (\$100) or forty-eight hours of community service.

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**HB 66 INCREASE TOBACCO PURCHASE AGE TO 21 (Joanne Ferrary)**

**Position:** support **Priority:** **Category:**

**Current Location:** HRC

**Referrals:** HRC

HPREF [2] not prntd-HRC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:**2020-01-28

**Introduced on - Date:**2019-12-20

[HB 66 PDF](#) | [HB 66 FIR](#)

## Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-01-22 [2]	HPREF - House Rules and Order of Business	Not printed
2019-12-24 [99]	- House Prefiled Legislation	Sent to location

### Synopsis:

House Bill 66 (HB 66) changes the Tobacco Products, E-Cigarette and Nicotine Liquid Container Act to ban the sale of tobacco products, e-cigarettes or nicotine liquid containers to people under twenty-one years of age. HB 66 changes the definition of a minor to mean an individual who is less than twenty-one years of age but does not include an individual who is at least eighteen years of age on July 1, 2020. HB 66 conforms requirements for certain notices with penalty provisions. HB 66 creates a definition for a tobacco product.

### Analysis:

House Bill 66 (HB 66) makes changes to three sections of the Tobacco Products, E-Cigarette and Nicotine Liquid Container Act. HB 66 purpose is to ban the sale of tobacco products, e-cigarettes or nicotine liquid containers to people under twenty-one years of age. HB 66 conforms requirements for certain notices with penalty provisions. HB 66 creates a definition for tobacco products and revises the definition of a minor.

-Definitions, Section 30-49-2. NMSA 1978:

HB 66 changes the definition of a minor to mean an individual who is less than twenty-one years of age but does not include an individual who is at least eighteen years of age on July 1, 2020.

HB 66 removed content that referenced less than eighteen years of age.

HB 66 creates a definition for a tobacco product, which means:

(1) a product made of or derived from tobacco or nicotine that is intended for human consumption, whether smoked, heated, chewed, absorbed, dissolved, inhaled, snorted, sniffed or ingested by any other means, including cigars, cigarettes, chewing tobacco, e-cigarettes, pipe tobacco or snuff; and

(2) a component, part or accessory used to consume tobacco but does not include a product approved by the United States Food and Drug Administration for sale as a tobacco cessation product or for another therapeutic purpose, where the product is marketed and sold solely for that use, as approved by the United States Food and Drug Administration.

-Refusal to Sell Tobacco Products, E-Cigarettes or Nicotine Liquid Containers to a Person Unable to Produce Identity Card, Section 30-49-5. NMSA 1978.

HB 66 removes a reference to eighteen years of age or over.

HB 66 adds the following content in its place: not prohibited from purchasing tobacco products, e-cigarettes or nicotine liquid containers.

HB 66 clarifies that this section is a requirement and not an option.

The changed section now states that a person selling goods at retail or wholesale will refuse to sell tobacco products, e-cigarettes or nicotine liquid containers to a person who is unable to produce an identity card as evidence that the person is not prohibited from purchasing tobacco products,



e-cigarettes or nicotine liquid containers.

-Signs--Point of Sale, Section 30-49-9. NMSA 1978.

HB 66 adds content to point of sale signage that allows for a community service penalty and a criminal misdemeanor charge.

HB 66 changes the age stipulation from less than eighteen years old to less than twenty-one years old.

Changed signage now reads as:

A PERSON LESS THAN 21 YEARS OF AGE WHO PURCHASES A TOBACCO PRODUCT, AN E-CIGARETTE OR A NICOTINE LIQUID CONTAINER MAY BE SUBJECT TO A FINE OF UP TO \$100 OR UP TO 48 HOURS OF COMMUNITY SERVICE.

A PERSON WHO SELLS A TOBACCO PRODUCT, AN E-CIGARETTE OR A NICOTINE LIQUID CONTAINER TO A PERSON LESS THAN 21 YEARS OF AGE MAY BE GUILTY OF A CRIMINAL MISDEMEANOR AND SUBJECT TO A FINE OF UP TO \$1,000.

### Current Law:

Tobacco Products, E-Cigarette and Nicotine Liquid Container Act -Definitions, Section 30-49-2. NMSA 1978 Subsection (C) Minor means an individual who is less than eighteen years of age. -Refusal to Sell Tobacco Products, E-Cigarettes or Nicotine Liquid Containers to Person Unable to Produce Identity Card, Section 30-49-5. NMSA 1978. A person selling goods at retail or wholesale may refuse to sell tobacco products, e-cigarettes or nicotine liquid containers to a person who is unable to produce an identity card as evidence that the person is eighteen years of age or over. -Signs--Point of Sale, Section 30-49-9. NMSA 1978. A person, firm, corporation, partnership or other entity engaged in the sale at retail of tobacco products, e-cigarettes or nicotine liquid containers shall prominently display in the place where tobacco products, e-cigarettes or nicotine liquid containers are sold and where a tobacco product, e-cigarette or nicotine liquid container vending machine is located a printed sign or decal that reads as follows: A PERSON LESS THAN 18 YEARS OF AGE WHO PURCHASES A TOBACCO PRODUCT, AN E-CIGARETTE OR A NICOTINE LIQUID CONTAINER IS SUBJECT TO A FINE OF UP TO \$100. A PERSON WHO SELLS A TOBACCO PRODUCT, AN E-CIGARETTE OR A NICOTINE LIQUID CONTAINER TO A PERSON LESS THAN 18 YEARS OF AGE IS SUBJECT TO A FINE OF UP TO \$1,000.

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## HB 159 UNM MED STUDENTS IN UNDERSERVED AREAS (Melanie A Stansbury)

**Position:** Support **Priority:** **Category:**

**Current Location:** HHC

**Referrals:** HHC/HAFC

HPREF [2] HHC/HAFC-HHC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:**2020-01-23

**Introduced on - Date:**2020-01-16

[HB 159 PDF](#) | [HB 159 FIR](#)

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### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-01-23 [2]	HPREF - House Health and Human Services	Sent to location
2020-01-16 [99]	- House Prefiled Legislation	Sent to location

### Synopsis:

House Bill 159 (HB 159) appropriates five-hundred thousand dollars (\$500,000) to UNM for a program to prepare medical students to practice in underserved communities.

### Analysis:

House Bill 159 (HB 159) makes an appropriation from the General Fund (GF) to the University of New Mexico (UNM) in the amount of \$500,000. Funds will support a program that prepares medical students

to practice in underserved communities. Money is to be spent in Fiscal Years 2021-2022. Unspent funds will revert to the GF.

UNM's School of Medicine Rural and Urban Underserved Program began in 2015 is designed to support, mentor, and prepare interested medical students to effectively provide healthcare to underserved groups in New Mexico. For more information, see <https://hsc.unm.edu/school-of-medicine/education/md/ume/ruup.html>

## HB 195 TOBACCO PRODUCTS ACT (Elizabeth Thomson)

**Position:** supportg **Priority:** **Category:**

**Current Location:** HTRC

**Referrals:** HHC/HTRC

[2] not prntd-HRC [3] prntd- ref HHC/HTRC-HHC [5] DP-HTRC

**Scheduled on - Date: Time: Location:**

**Updated on - Date:**2020-02-06

**Introduced on - Date:**2020-01-24

[HB 195 PDF](#) | [HB 195 FIR](#)

### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-02-06 [5]	HHC - House Taxation and Revenue	Do Pass
2020-01-27 [3]	HRC - House Health and Human Services	Referred
2020-01-27 [3]	HRC - House Rules and Order of Business	Printed
2020-01-24 [2]	- House Rules and Order of Business	Not printed

### Synopsis:

Relates to public health: enacting the Tobacco Products Act, raising the age limit for sale of tobacco products, providing licensure requirements for tobacco products retailers, manufacturers and distributors, prescribing powers and duties to the Alcoholic Beverage Control Division of the Regulation and Licensing Department, prohibiting certain acts pertaining to the manufacture, sale, or distribution of tobacco, product, establishing fees, creating a fund, providing administrative and criminal penalties, repealing the Tobacco Products, Ecigarette, and Nicotine Liquid Container Act and making an appropriation.

### Analysis:

The Act is titled the Tobacco Products Act. Numerous definitions are included in the Act several to include the definition of tobacco products which means a product made or derived from tobacco or nicotine that is intended for human consumption, whether smoked, chewed, absorbed, dissolved, inhaled, snorted, sniffed or ingested by any other means, including cigars, cigarettes, chewing tobacco, pipe tobacco, snuff, e-cigarettes or electronic nicotine delivery systems. Also, definitions for child resistant packaging, contraband tobacco products, e-cigarettes, electronic cigarette delivery systems, licensee, products that may be attractive to minors, and several agency definitions.

A prohibition for sales stating that sales may, not knowingly, intentionally or negligently sell, offer to sell, barter or give a tobacco product to a minor and may not make a sale to a minor, a product that is attractive to a minor.

Division means the Alcoholic Beverage Control Division of the Regulation and Licensing Department. Also, a licensee shall not sell, offer to sell or deliver nicotine liquid in this state unless such liquid is in child-resistant packaging, except that for the purpose of this subsection, "nicotine liquid" does not include nicotine liquid in a cartridge that is pre-filled and sealed by the manufacturer and that is not intended to be opened by the consumer.

The Division shall issue or renew a license for the: (1) manufacture of tobacco products for a term of one year; (2) distribution of tobacco products for a term of one year; and (3) retail sale of tobacco products for a term of one year.

A license shall not be issued, retained, transferred or renewed pursuant to the Tobacco Products Act if any of the following conditions apply: (1) the applicant has had a manufacturer, distributor or retailer license revoked by the Division or by another state, unless it is determined by the Director upon a showing by the applicant or licensee that issuing, retaining, transferring or renewing the license is in the best interest of the public; (2) the applicant is not in compliance with Subsection G of Section 7-12-9.1 NMSA 1978; (3) the location for the license or license transfer is within three hundred feet of a school; provided that this restriction does not apply to a location at which tobacco products have been lawfully

manufactured, distributed or sold prior to July 1, 2020; or (4) the location for the license would result in a violation of a zoning or other ordinance of a governing body in which the proposed location would exist. HB 195 also provides that a person shall not manufacture tobacco products at any location in the state without first obtaining a manufacturer license issued by the Division to that person for that location.

Certain information requirements are stated for individual, a firm, association, partnership or corporation. Also applicable to manufactures is the requirements for federal compliance. HB 195 reads:

documentation as required by the Division affirming that the applicant will comply with applicable and proper tobacco products manufacturing practices as required pursuant to 21 USCA Section 387d(a) and will comply with any applicable health directives issued by the Department of Health pursuant to the Public Health Act; documentation as required by the Division affirming that the applicant will submit the applicable ingredient listing to the federal Secretary of Health and Human Services as required pursuant to 21 USCA Section 387d(a)(1).

A person shall not distribute tobacco products from any location in the state without first obtaining a distributor license issued by the division to that person for that location. Additional information is required if the applicant is an individual, a firm, partnership, association or corporation.

Likewise, a person shall not sell tobacco products at any location in the state without first obtaining a retailer license issued by the division to that person or that person's employer for that location.

A nonrefundable application fee not to exceed one thousand dollars (\$1,000) for all manufacturers, distributors, and retailers is required.

As stated above licenses are required and reasons for denial are provided in the Act. A license issued pursuant to the Tobacco Products Act shall not be transferred from the licensee to another person. The transfer of a license from one location to another may be approved by the Division, provided that the licensee shall submit an application for license location transfer to the division for review. The Division shall allow the transfer unless any of certain conditions apply.

HB 195 creates the Tobacco Products Administration Fund as a nonreverting fund in the State Treasury. The fund consists of fees and administrative penalties collected by the Division pursuant to the Tobacco Products Act, appropriations by the legislature, gifts, grants and donations. Money in the fund at the end of a fiscal year shall not revert to any other fund. The division shall administer the fund, and money in the fund is appropriated to the Division for the administration of the Tobacco Products Act.

Disbursements from the fund shall be made by warrant of the Secretary of Finance and Administration pursuant to vouchers signed by the Superintendent of Regulation and Licensing or the Superintendent's authorized representative.

Application fees and administrative penalties collected by the Division pursuant to the Tobacco Products Act shall be deposited into the Tobacco Products Administration Fund.

A methodology for hearings are included and conducted by the Director or a hearing officer.

HB 195 also required identification for age and identity of the purchaser. A valid document that contains a picture of that person and is issued by a federal, state, county, municipal or foreign government, including a motor vehicle driver's license or an identification card. There are restrictions imposed for vending machines and the handling of free samples. The provision of free samples may not offer without permission of the Director. Signage is now required to state: a person who sells tobacco products to a person less than 21 years of age is subject to a fine of up to \$1,000 and is guilty of a criminal misdemeanor. A retailer may only accept payment by a credit card for shipping tobacco products only and with proper identify of the purchaser in accordance with the Tobacco Products Act.

Under penalties, a person who manufactures, distributes or sells tobacco products without a license required pursuant to the Tobacco Products Act is guilty of a misdemeanor and shall be sentenced in accordance with the provisions of New Mexico law. Contraband tobacco products seized by the division or by a law enforcement agency as evidence of unlicensed activities shall be retained as evidence to the extent necessary. Contraband tobacco products no longer needed as evidence shall be destroyed.

The Division may suspend or revoke a license of a licensee, require the use of identification verification software for a designated period of time or impose an administrative penalty against a licensee in an amount not to exceed ten thousand dollars (\$10,000), or any combination thereof, if the Division finds that the licensee, an employee of the licensee or a contractor acting on behalf of the licensee has violated a provision of the Tobacco Products Act; provided, however, that upon a fourth violation for the sale of a tobacco product to a minor occurring at the same location within three years of the first such violation, the retailer's license issued for that location shall be permanently revoked.

-The alcoholic beverage control division of the regulation and licensing department, the department of public safety and the appropriate law enforcement authorities in each county and municipality may conduct random, unannounced inspections of facilities where tobacco products are sold, manufactured or distributed to ensure compliance with the provisions of the Tobacco Products Act.

The Department of Public Safety and other law enforcement agencies may issue citations except where the Division may have jurisdiction such as licensure issues. The Director may issue subpoenas with the assistance of legal counsel, and is required to write rules and directives as required by law. It should be

noted that nothing in the Tobacco Products Act shall be construed to preempt or in any manner preclude specific provisions of a county or municipal ordinance; provided that the provisions of such county or municipal ordinance are inclusive of all minimum standards and provisions of the Tobacco Products Act. Three hundred fifty thousand dollars (\$350,000) is appropriated from the General Fund to the Tobacco Products Administration Fund for expenditure in Fiscal Year 2021 and subsequent fiscal years to administer the provisions of the Tobacco Products Act.

Numerous Sections of New Mexico statutes are repealed to include: Sections 30-49-1 through 30-49-13 NMSA 1978 (being Laws 1993, Chapter 244, Sections 1 through 12 and Laws 2015, Chapter 98, Section 12, as amended).

The effective date of the provisions of this act is July 1, 2020.

### Relationship to Other Bills:

SB 131 duplicates HB 195. SB 131 relates to HB 23, HB 54, HB 66, HB 230, and SB 9.

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### HB 234 REVISE INSURANCE NOMINATING COMMITTEE DUTIES (Daymon Ely)

**Position:** support **Priority:** **Category:**

**Current Location:** HSEIC

**Referrals:** HCPAC/HSEIC

[2] not prntd-HRC [3] w/drn - prntd- ref HCPAC/HSEIC-HCAPC [4] DP-HSEIC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:**2020-02-05

**Introduced on - Date:**2020-01-24

[HB 234 PDF](#) | [HB 234 FIR](#)

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### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-02-05 [4]	HCPAC - House State Government, Elections, and Indian Affairs	Do Pass
2020-01-28 [3]	HCal - House Calendar	Printed
2020-01-28 [3]	HRC - House Calendar	Withdrawn from committee
2020-01-24 [2]	- House Rules and Order of Business	Not printed

### Synopsis:

House Bill 234 (HB 234) revises sections of the insurance code relating to the duties of the insurance nominating committee and provides for an interim superintendent of insurance. HB 234 revises the qualifications for superintendent of insurance.

### Analysis:

House Bill 234 (HB 234) Section 1 amends Insurance Code Section 59A-2-2 NMSA 1978 (being Laws 1984, Chapter 127, Section 20, as amended) Subsection C to delete the statement providing that if the superintendent position becomes vacant, the successor shall serve for the remainder of the term.

HB 234 Section 2 amends Section 59A-2-2.1 NMSA 1978 (being Laws 2013, Chapter 74, Section 15, as amended) addressing committee duties to delete provisions in Subsection E and F and to add new material to those subsections, as follows:

E and F. These subsections delete directions for the timing and time limits that the committee is required to meet and appoint a superintendent. New text is added so that Subsection E reads:

The committee shall convene within 90 days in anticipation of the occurrence of a vacancy in the superintendent position or the expiration of a superintendent's term of office.

Subsection F reads:

Upon the occurrence of a vacancy in the superintendent position, or after the conclusion of the superintendent's term, the chair of the committee may appoint an interim superintendent who shall serve until a successor is duly qualified.

HB 234 Section 3 amends Section 59A-2-3 NMSA 1978 (being Laws 1984, Chapter 127, Section 21, as amended) to delete Subsection A that provides the requirement that the superintendent shall be a resident of New Mexico at the time of appointment and reletters the subsection.

### Current Law:

HB 234 affects the insurance code in Section 59A-2-2 NMSA 1978 (being Laws 1984, Chapter 127, Section 20, as amended); Section 59A-2-2.1 NMSA 1978 (being Laws 2013, Chapter 74, Section 15, as amended); and 59A-2-3 NMSA 1978 (being Laws 1984, Chapter 127, Section 21, as amended).

## HB 246 MEDICAL SCHOOL SCHOLARSHIP ACT (Javier I Martinez)

**Position:** **Priority:** **Category:**

**Current Location:** H AFC

**Referrals:** HEC/H AFC

[2] HEC/H AFC-HEC [4] DP-H AFC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:** 2020-02-03

**Introduced on - Date:** 2020-01-27

[HB 246 PDF](#) | [HB 246 FIR](#)

### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-02-03 [4]	HEC - House Appropriations and Finance	Do Pass
2020-01-27 [2]	- House Education	Sent to location

### Synopsis:

House Bill 246 enacts the Medical School Scholarship Act in higher education and makes an appropriation.

### Analysis:

House Bill 246 (HB 246) enacts the Medical School Scholarship Act in higher education. Section 1 provides this act may be cited as the "Medical School Scholarship Act".

Section 2 specifies definitions as used in the Medical School Scholarship Act.

Section 3 adds new material to create the Medical School Scholarships that the eligible institution shall administer pursuant to the Medical School Scholarship Act.

Section 4 specifies the conditions for first-year eligibility. A scholarship may be awarded to an individual who: A. is authorized to work in the United States; B. has met the admission requirements and is accepted for enrollment as a full-time student at the eligible institution; C. has complied with all the rules adopted by the eligible institution for award of the scholarship and the provisions regarding the administration of scholarships adopted pursuant to the Medical School Scholarship Act; and D. agrees to practice medicine in New Mexico for the same number of years that the individual received a scholarship once the individual has completed medical school; provided that the individual may defer that practice to complete residency and fellowship.

Section 5 specifies conditions for continuing eligibility. A scholarship may be reawarded to a student who: A. has been an award recipient at the eligible institution; B. is enrolled as a full-time student as determined by the eligible institution; C. is pursuing a doctor of medicine degree; and D. agrees to practice medicine in New Mexico for the same number of years that the individual received a scholarship once the individual has completed medical school; provided that the individual may defer that practice to complete residency and fellowship.

Section 6 specifies the duration of each scholarship is for a period of one academic year. Scholarship awards shall be for the cost of tuition as calculated by the eligible institution.

Section 7 provides the details for the termination of scholarships, including student withdrawal, failure to be a full-time student, or noncompliance with the Medical School Scholarship Act or rules of the eligible institution.

Section 8 details the scholarship criteria, contract terms and payment of funds.

A. Provides scholarship criteria and defines preferences in making awards to individuals. Subsection A also provides that award amounts may be modified based upon available funding or other special circumstances. Subsection A states that an award shall not exceed the total tuition at the eligible institution.

B. The scholarship shall be evidenced by a contract between the award recipient and the eligible institution acting on behalf of the state. The contract shall provide for the repayment by the award recipient of all scholarship awards to the eligible institution in the event that the recipient fails to meet the recipient's obligations under the contract and shall state the obligations of the award recipient under the program, including a minimum period of service and other requirements established by the eligible institution.

C. Award recipients shall complete a complete year to receive credit for that year. The minimum credit for a year shall be established by the eligible institution.

D. If an award recipient does not comply with the terms of the contract, the eligible institution shall assess a penalty of up to three times the amount of award disbursed plus an annual percentage rate of eighteen percent interest, unless the eligible institution finds acceptable extenuating circumstances for why the award recipient cannot comply with the terms of the contract.

E. The eligible institution shall adopt rules to implement the provisions of this section. The rules may provide for the disbursement of repayment amounts in annual or other periodic installments.

Section 9 specifies the creation and enforcement of contracts. The general form of the contract required shall be prepared and approved by the attorney general and signed by the award recipient and the designated representative of the eligible institution on behalf of the state. The eligible institution is vested with full and complete authority and power to sue in its own name to recover any balance due the state from any student based on any such contract.

Section 10 creates the Medical School Scholarship Fund as a nonreverting fund in the state treasury. All money appropriated for the Medical School Scholarship Program shall be credited to the fund, and all payments for penalties or repayment of awards based on a scholarship contract received by the eligible institution shall be credited to the fund or shall be deposited with the eligible institution's administrative agent. All payments from the fund shall be made pursuant to vouchers signed by the designated representative of the eligible institution and upon warrant issued by the secretary of finance and administration.

Section 11 appropriates \$6,000,000 from the General Fund to the Medical School Scholarship Fund for expenditure in Fiscal Year 2021 and subsequent fiscal years to carry out the provisions of the Medical School Scholarship Act. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the General Fund.

Section 12 states that the effective date of the provisions of this act as July 1, 2020.

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## HB 282 HEALTH CARE GROSS RECEIPTS PROVIDERS (Jim R. Trujillo)

**Position:** **Priority:** **Category:**

**Current Location:** HTRC

**Referrals:** HHC/HTRC

[3] HHC/HTRC-HHC [5] DP-HTRC

**Scheduled on - Date: Time: Location:**

**Updated on - Date:**2020-02-06

**Introduced on - Date:**2020-01-29

[HB 282 PDF](#) | [HB 282 FIR](#)

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### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-02-06 [5]	HHHC - House Taxation and Revenue	Do Pass
2020-01-29 [3]	- House Health and Human Services	Sent to location

### Synopsis:

House Bill 282 (HB 282) expands the practitioners eligible for health care gross receipts tax deductions.

### Analysis:

House Bill 282 (HB 282) expands the practitioners eligible for the Gross Receipts Tax (GRT) health care practitioner deduction to include business majority-owned by health care providers. Qualifying health care businesses that meet the criteria for the GRT deduction may be corporations, limited liability companies, partnerships, or other legal entities.



HB 282 excludes health maintenance organizations, hospitals, hospices, nursing homes, and intermediate care facilities licensed by the Department of Health.

The Taxation and Revenue Department is directed to compile and present an annual report to the appropriate legislative committee with an analysis of the effectiveness and cost of the deduction.

The effective date of HB 282 is July 1, 2020.

### Current Law:

Current law limits, in a narrow sense, the health care GRT deduction to practitioners, so entities owned by otherwise eligible practitioners may be prohibited from taking the deduction.

### Relationship to Other Bills:

HB 282 is a duplicate of SB 227.

## HB 292 PRESCRIPTION DRUG COST SHARING (Micaela L Cadena)

**Position:** Gov bill **Priority:** **Category:**

**Current Location:** HSEIC

**Referrals:** HHC/HSEIC

[3] not prntd-HRC- w/drn - prntd- ref HHC/HSEIC-HHC [5] DP-HSEIC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:**2020-02-06

**Introduced on - Date:**2020-01-29

[HB 292 PDF](#) | [HB 292 FIR](#)

### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-02-06 [5]	HHC - House State Government, Elections, and Indian Affairs	Do Pass
2020-01-30 [3]	HCal - House Calendar	Printed
2020-01-30 [3]	HCal - House Health and Human Services	Referred
2020-01-30 [3]	HRC - House Calendar	Withdrawn from committee
2020-01-29 [3]	- House Rules and Order of Business	Not printed

### Synopsis:

House Bill 292 (HB 292) relates to health care plans, establishing limits on cost sharing for certain prescription drugs, requiring a report recommending additional drugs and services for cost-sharing limitations, requiring a study of the cost of prescription drugs for New Mexico consumers and making recommendations on increasing accessibility of prescription drugs and modifying and enacting Sections of NMSA 1978.

### Analysis:

House Bill 292 (HB 292) provides new language stating that group health care coverage, including any form of self-insurance, offered, issued or renewed under the Health Care Purchasing Act shall cap the total amount an insured is required to pay for prescription insulin drugs at an amount not to exceed a total of fifty dollars (\$50.00) per thirty-day supply, regardless of the amount, number of prescription drugs or types of insulin prescribed to meet the covered person's insulin health needs; provided that nothing in this section shall prevent an insurer from reducing an insured's cost sharing by an amount greater than the amount specified in this section.

This is a new Section of the Health Care Purchasing Act related to insulin for diabetes. The same cap applies to individuals covered and those covered by a health maintenance organization, Other supplies are to be provided by existing language.

A study on prescription cost is required in HB 292 which states: the Superintendent of Insurance shall convene an advisory group to include the Secretary of Human Services, the Secretary of Health and the Secretary of General Services or their designees and the Dean of the University of New Mexico College Of Pharmacy or the Dean's designee to study the cost of prescription drugs for New Mexico consumers and make recommendations on increasing accessibility of prescription drugs. The report shall be submitted to the Legislative Health and Human Services Committee and the Legislative Finance Committee no later than October 1, 2020.

The study shall examine, at a minimum, the benefits to New Mexico consumers and the potential costs of setting cost-sharing limitations for the following categories of drugs: A. inhaled prescription drugs

used to control asthma; B. oral medications to treat or control diabetes; C. injectable epinephrine devices for severe allergic reactions; D. opioid reversal agents; E. medications used to treat hypertension; F. antidepressant medications; G. antipsychotic medications; H. lipid-lowering agents; and I. anticonvulsants.

The Section setting a cap on payment by the patient is set for January 1, 2021 and the reporting on specific prescription pricing by the Superintendent is set for May 20, 2020.

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## SB 1 WHOLESALE PRESCRIPTION DRUG IMPORTATION ACT (Mary Kay Papen)

**Position:** Support **Priority:** **Category:**

**Current Location:** HHC

**Referrals:** SCC/SPAC/SFC/HHC/HSEIC

SPREF [1] SCC/SPAC/SFC-SCC-germane-SPAC [3] DP/a-SFC [5] DP/a [6] PASSED/S (35-0) [4] HHC/HSEIC-HHC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:**2020-02-05

**Introduced on - Date:**2020-01-15

[SB 1 PDF](#) | [SB 1 FIR](#)

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### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-02-05 [4]	HINT - House Health and Human Services	Sent to location
2020-02-04 [6]	SCal - House Introduction	Passed the Senate
2020-02-03 [5]	SFC - Senate Calendar	Do Pass as Amended
2020-01-27 [3]	SPAC - Senate Finance	Do Pass as Amended
2020-01-22 [1]	SCC - Senate Public Affairs	Ruled germane
2020-01-21 [1]	SPREF - Senate Committees Committee	Sent to location
2020-01-15 [99]	- Senate Prefiled Legislation	Sent to location

### Synopsis:

Senate Bill 1 (SB 1) creates the Wholesale Prescription Drug Importation Act that authorizes and regulates the wholesale importation of drugs by or on behalf of the state. SB 1 appropriates \$350,000 to a bill-established fund.

### Analysis:

Senate Bill 1 (SB 1) creates the Wholesale Prescription Drug Importation Act and program within the Department of Health, regulations, advisory committee, reporting requirement, and fund.

The Prescription Drug Importation Advisory Committee (Committee) created by this legislation will consist of representatives from Department of Health (DOH), Board of Pharmacy, Office of Superintendent of Insurance, Human Services Department, and General Services Department. The secretary of DOH is appointed the chair. The Committee's purpose is to advise DOH in developing and implementing a Wholesale Prescription Drug Importation Program (Program) within the contexts of affordability and safety.

SB 1 requires DOH to submit a formal request the Department of Health and Human Services pursuant to the Federal Food, Drug, and Cosmetic Act to import drugs from Canadian suppliers.

The Program includes the following elements:

- Contract with licensed drug wholesaler to seek federal certification and approval;
- Allow the importation of eligible prescription drugs sold by Canadian suppliers;
- all prescription drugs imported into New Mexico meet United States Federal Food and Drug Administration (FDA) safety and efficacy standards;
- Import only drugs expected to generate substantial cost savings to the state or consumers;
- Comply with all federal statutes, including tracking and tracing prior to importation and after they are in the state;
- Prohibit distribution, sale or dispensing of imported drugs outside New Mexico;
- Recommend pricing to ensure Program funding is balanced with consumer savings; and
- Provide for annual and special audits.

The Program must be implemented within six months of federal certification. DOH will enter into



contracts, prepare a public list of drugs with prices, create outreach and marketing plans, set up a helpline, and other necessary duties. DOH must consult with health insurance carriers, employers, pharmacies, pharmacists, healthcare providers and consumers to develop a registration process for health insurance carriers, pharmacies and healthcare providers authorized to prescribe and administer prescription drugs.

DOH is charged with consulting the attorney general to identify and monitor possible anti-competitive actions in associated industries.

In an annual report to the governor and legislature, DOH must identify drugs imported, participating entities, number of prescriptions dispensed, estimated savings, audit plan, and other information needed to assess the Program.

SB 1 creates the Wholesale Prescription Drug Importation Fund (Fund). The Fund is appropriated to DOH to carry out the Act.

While the Act is concerned with Canadian drugs, this bill's provisions may be extended to any other country allowed by federal law at the discretion of DOH.

Definitions are provided in SB 1, however of note, eligible prescription drugs are those that

- meet FDA standards for safety and efficacy;
- do not violate federal patent laws;
- are expected to generate substantial cost savings; and
- are not a controlled substance.

State drug wholesaler are licensed wholesale distributors who contract with the state to import eligible prescription drugs for a Canadian supplier.

An appropriation of \$350,000 from the General Fund is made to the Fund in Fiscal Year 2021 to administer the Act's provisions.

SB 1 declares an emergency and takes effect immediately upon its passage and approval, provided it is passed by two-thirds vote of each house.

## SB 9 E-CIGARETTE AND E-LIQUID ACT (Gabriel Ramos)

**Position:** support **Priority:** yes **Category:**

**Current Location:** SPAC

**Referrals:** SCC/SPAC/SJC/SFC

SPREF [1] SCC/SPAC/SJC/SFC-SCC [3]germane-SPAC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:**2020-01-27

**Introduced on - Date:**2019-12-16

[SB 9 PDF](#) | [SB 9 FIR](#)

### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-01-27 [3]	SCC - Senate Public Affairs	Ruled germane
2020-01-21 [1]	SPREF - Senate Committees Committee	Sent to location
2019-12-16 [99]	SPREF - Senate Prefiled Legislation	Sent to location

### Synopsis:

Senate Bill 9 (SB 9) creates the E-Cigarette and E-Liquid Act (Act) and removes regulation of e-cigarettes and e-liquid from the Tobacco Act (formerly the "Tobacco Products E-Cigarette and Nicotine Liquid Container Act"). This bill raises the age limit for sales of e-cigarettes and e-liquid to minors younger than 21 years of age. SB 9 provides licensure requirements and fees and prescribes the powers and duties to the regulation and licensing department. This bill also provides administrative and criminal penalties and appeals. SB 9 Section 12 creates the "e-cigarette and e-liquid administration fund" and in Section 47 appropriates \$1,000,000 from the General Fund to administer the provisions of the Act. The statute is to take effect July 1, 2020.

### Analysis:

Senate Bill 9 (SB 9) creates the E-Cigarette and E-Liquid Act (Act) and removes regulation of e-cigarettes and e-liquid from the Tobacco Act (formerly the "Tobacco Products E-Cigarette and Nicotine Liquid Container Act". SB 9 Section 12 creates the "e-cigarette and e-liquid administration fund" and in Section 47 appropriates \$1,000,000 from the General Fund to administer the provisions of the Act. The statute is to take effect July 1, 2020.

SB 9 Sections 1-35 are new and detail how e-cigarettes and e-liquid shall be regulated. The sections also focus on the protection of minors under the age of 21. Sections 36-46 remove all references to e-cigarettes and nicotine liquid containers from the Tobacco Act.

The sections of the E-cigarettes and E-liquid Act are created or amended as follows:

Section 1 of SB 9 enacts the E-Cigarette and E-Liquid Act and declares Sections 1-35 of this act may be cited as the "E-Cigarette and E-Liquid Act".

Section 2 provides Definitions to be used in the Act, including a definition "minor" to mean an individual who is younger than 21 years of age.

Section 3 directs that the regulations and licensing department shall issue licenses for the manufacture, distribution or sale of e-cigarettes or e-liquid in New Mexico to applicants who meet the requirements of the Act. The department shall issue or renew licenses. SB 9 defines the time span for the license. This section defines the conditions under which a license shall not be granted.

Section 4 states the requirement for an e-cigarette or e-liquid manufacturer license and designates the requirements, application and renewal requirements, forms and a nonrefundable license fee of \$1,000, or a lesser amount as prorated pursuant to Section 8 of the Act.

Section 5 states the requirement for an e-cigarette or e-liquid distributor license issued by the department to that person for that location to be submitted on a form prescribed by the department with a nonrefundable license fee of \$500, or a lesser amount as prorated pursuant to Section 8 of the Act.

Section 6 states the requirement for a retailer license issued by the department to that person, application and renewal requirements, forms and a nonrefundable license fee of one \$150 for a license issued to a person for a first retail location, or a lesser amount as prorated pursuant to Section 8 of the Act, and \$10.00 for each retail license issued for each subsequent retail location.

Section 7 requires that if the information submitted in an application pursuant to the Act for a license or for a license renewal changes, the licensee shall notify the department within 10 business days of the change. If a change in the information required for an application results in a violation of the Act, the department may impose an administrative penalty as provided.

Section 8 prescribes the proration of fees for retailers, manufacturers and distributors.

Section 9 provides that the department shall grant or deny an application for a license or for a license renewal made pursuant to the Act not later than 60 days after the complete application is filed. If the department fails to respond within 60 days, the application shall be deemed approved. The department shall approve the application for issuance of a license or for a license renewal if the department determines that the applicant meets the requirements of the Act.

This section also requires that the department shall state the reasons for the denial. The applicant may reapply within 30 days after the date of the denial. The department shall not charge a fee for a reapplication made within that period.

Section 10 addresses license transfers and notice of changes. Section 10 provides that a license shall not be transferred to another person or location. To transfer a license from one location to another, the licensee shall file an application for the proposed transfer. The department shall allow the transfer unless any of the conditions provided in Subsection C of Section 3 of the Act exist.

Section 11 requires that a license be displayed. A license issued for a location at which e-cigarettes or e-liquid is manufactured, distributed or sold at shall be prominently displayed at that location so that it is in full public view at all times. A copy or scanned image or facsimile of the license may be displayed only up to 30 days or until the original license is received by the licensee, whichever occurs first; provided

that the copy or scanned image or facsimile is of the original, current and duly issued license.

Section 12 creates the "e-cigarette and e-liquid administration fund" in the state treasury, which consists of fees, penalties, appropriations, gifts, grants and donations. Money in the fund at the end of a fiscal year shall not revert to any other fund. The department shall administer the fund, and money in the fund is appropriated to the department for the administration of the Act. Disbursements from the fund shall be made by warrant of the secretary of finance and administration pursuant to vouchers signed by the superintendent of regulation and licensing or the superintendent's authorized representative.

Section 13 directs that application fees and administrative penalties collected by the department pursuant to the Act shall be deposited into the e-cigarette and e-liquid administration fund.

Section 14 provides that if the department denies, suspends or revokes a license, denies the transfer of a license or imposes an administrative penalty against a licensee, the licensee shall be entitled to a hearing pursuant to the procedures provided in the Uniform Licensing Act; provided that subpoenas shall be issued and enforced in accordance with the provisions of Section 32 of the Act.

Section 15 allows a licensed manufacturer may use flavoring as an ingredient in e-liquid, and a licensed distributor or licensed retailer may sell e-liquid containing flavors.

Section 16 specifies prohibited sales, manufacturing labeling, marketing restrictions and safety requirements to protect a minor.

Section 17 requires a retailer or an employer of a retailer to request documentary evidence of age and identity of a consumer purchasing an e-cigarette or e-liquid. A retailer or an employee of a retailer shall not knowingly, intentionally or negligently fail to verify the age of a consumer purchasing an e-cigarette or e-liquid.

Section 17 defines the requirements for the documentary evidence. It also allows the following defenses for a retailer or distributor accused of selling or distributing an e-cigarette or e-liquid to a person who is a minor:

(1) the consumer produced a driver's license or an identification card in accordance with Subsection B of this section indicating that the consumer was of legal age to make the purchase; and (2) for a sale made through a delivery sales method, the retailer or distributor had an age verification completed in accordance with Subsection C of this section indicating that the consumer was of legal age to make the purchase.

Section 18 provides that a minor shall not present false evidence of age or identity for the purpose of procuring or attempting to procure an e-cigarette or e-liquid.

Section 19 provides that a retailer selling goods at a retail location in New Mexico shall not use a self-service display for e-cigarettes or e-liquid. This section restricts vending machine sales to only in age-controlled locations where minors are not permitted pursuant to the age requirements in the Act. The provisions of this section do not apply to delivery sales of e-cigarettes or e-liquid that are in accordance with the Act.

Section 20 prohibits a person from providing free samples of e-cigarettes or e-liquid to a minor.

Section 21 requires that a retailer shall prominently display in the place where e-cigarettes or e-liquid is sold and where an e-cigarette or e-liquid vending machine is located a printed sign or decal that reads as follows: "A PERSON LESS THAN 21 YEARS OF AGE WHO PURCHASES AN E-CIGARETTE OR E-LIQUID IS SUBJECT TO A FINE OF UP TO \$100. A PERSON WHO SELLS AN E-CIGARETTE OR E-LIQUID TO A PERSON LESS THAN 21 YEARS OF AGE IS SUBJECT TO A FINE OF UP TO \$1,000."

Section 22 requires the retailer must receive full payment for the purchase and shall accept payment from the consumer prior to shipping e-cigarettes or e-liquid for a delivery sale.

Also, a retailer may ship e-cigarettes or e-liquid only to a consumer whose age has been verified pursuant to Section 17 of the Act. A retailer taking a delivery sale order may request the email address of the consumer.

Section 23 defines the criminal penalties for a person who violates a provision of Subsection A, C, D or

F of Section 16 or Sections 19 through 21 of the Act. A person who violates these provisions is guilty of a misdemeanor and shall be sentenced pursuant to the provisions of Section 31-19-1 NMSA 1978. Each violation is a separate and distinct offense.

Section 24 provides that a person who manufactures, distributes or sells e-cigarettes or e-liquid without a license required pursuant to the Act is guilty of a misdemeanor and shall be sentenced in accordance with the provisions of Section 31-19-1 NMSA 1978.

Section 25 provides that a minor who procures, attempts to procure or possesses an e-cigarette or e-liquid in violation of Section 16 of the Act or who violates Section 18 of the Act is guilty of a petty misdemeanor and shall be punished by a fine not to exceed \$100 or eight hours of community service.

Section 26 provides that the department may suspend or revoke a license of manufacturer, distributor or retailer licensees or impose an administrative penalty against a licensee in an amount not more than \$10,000, or both, if the department finds that the licensee, an employee of the licensee or a contractor acting on behalf of the licensee has violated a provision of the Act; provided that a violation of the provisions of Section 16 or 17 of the Act shall be solely subject to the provisions of Section 27 of that act.

Section 27 provides penalties for sales to minors or failure to verify age. The department shall impose administrative penalties against a retailer if the retailer, an employee of the retailer or contractor acting on behalf of the retailer sells, offers to sell, barter or gives an e-cigarette or e-liquid to a minor or fails to verify the age of a consumer in violation of the provisions of Section 16 or 17 of the Act. This section defines penalties for violations from 1 to 4 times.

Section 28 states that the department of public safety and the appropriate law enforcement authorities in each county and municipality shall conduct random, unannounced inspections of facilities where e-cigarettes or e-liquid is sold to ensure compliance with the provisions of the Act.

Section 29 assigns authority to the department of public safety over all investigations and enforcement activities required under the Act except for those provisions relating to the issuance, denial, suspension or revocation of licenses, unless its assistance is requested by the superintendent of regulation and licensing.

Section 30 defines reporting requirements and assigns authority for investigations. Within 30 days following the date of issuance of a citation pursuant to the provisions of the Act, the department of public safety or the law enforcement agency of a municipality or county shall report alleged violations of that act to the regulation and licensing department. The superintendent of regulation and licensing may request the investigators of the department of public safety to investigate licensees or activities that the superintendent has reasonable cause to believe are in violation of the Act.

Section 31 assigns to the department authority over all matters relating to the issuance, denial, suspension, revocation or transfer of licenses. The superintendent of regulation and licensing may request the department of public safety to provide investigatory and enforcement support as deemed necessary.

For the purpose of administering the licensing provisions of the Act, Section 31 authorizes the superintendent of regulation and licensing to examine and to require the production of any pertinent records, books, information or evidence, to require the presence of any person and to require that person to testify under oath concerning the subject matter of the inquiry and to make a permanent record of the proceedings. This section details the procedure, time requirements and evidence and powers to enforce subpoenas required for administering these provisions.

This section requires the regulation and licensing department shall require criminal history background checks to be conducted by the department of public. For purposes of conducting the criminal history background check, the regulation and licensing department shall require the fingerprinting of applicants for licenses as required by the Act. Fingerprint cards shall be submitted by the regulation and licensing department to the department of public safety records bureau for processing through the federal bureau of investigation. The superintendent shall establish procedures within the regulation and licensing department to maintain the confidentiality of information received from the department of public safety and the federal bureau of investigation.

Section 33 states that the superintendent of regulation and licensing shall issue and file as required by law all rules and orders necessary to administer the licensing provisions of the Act. Directives issued by the superintendent of regulation and licensing shall be in a form substantially as rules, rulings or orders.

Section 34 provides that when a municipality or county, including a home rule municipality or urban county, adopts an ordinance or a regulation pertaining to sales of e-cigarettes or e-liquid, the ordinance or regulation shall be consistent with the provisions of the Act.

Section 35 states that the provisions of the Act do not apply to the lawful purchase or use by a minor of a tobacco-cessation product approved by the federal food and drug administration.

The following sections remove references to e-cigarette and nicotine liquid containers throughout.

Section 36 amends Section 30-49-1 NMSA 1978 (being Laws 1993, Chapter 244, Section 1, as amended) to change the short title to be "Tobacco Products Act".

Section 37 amends the Tobacco Products Act Section 30-49-2 definitions to delete references to e-cigarette and nicotine liquid containers. It also adds a definition for "self-service display".

Section 38 amends Section 30-49-3 NMSA 1978 (being Laws 1993, Chapter 244, Section 3, as amended) to delete references to e-cigarettes and nicotine liquid containers throughout this section.

Section 39 amends Section 30-49-5 NMSA 1978 (being Laws 1993, Chapter 244, Section 5, as amended) to delete references to e-cigarettes and nicotine liquid containers throughout this section.

Section 40 amends Section 30-49-6 NMSA 1978 (being Laws 1993, Chapter 244, Section 6, as amended) to delete references to e-cigarettes or nicotine liquid containers throughout this section.

Section 41 amends Section 30-49-7 NMSA 1978 (being Laws 1993, Chapter 244, Section 7, as amended) to delete references to e-cigarettes or nicotine liquid containers throughout this section and the definition of "self-service display".

Section 42 amends Section 30-49-8 NMSA 1978 (being Laws 1993, Chapter 244, Section 8, as amended) to delete references to e-cigarettes or nicotine liquid containers throughout this section.

Section 43 amends Section 30-49-9 NMSA 1978 (being Laws 1993, Chapter 244, Section 9, as amended) to delete references to e-cigarettes or nicotine liquid containers.

Section 44 amends Section 30-49-10 NMSA 1978 (being Laws 1993, Chapter 244, Section 10, as amended) to change the division name from alcohol and gaming to the alcoholic beverage control division. This section also deletes references to e-cigarettes or nicotine liquid containers throughout.

Section 45 amends Section 30-49-11 NMSA 1978 (being Laws 1993, Chapter 244, Section 11, as amended) to delete e-cigarettes or nicotine liquid containers throughout and revised the name of the act to Tobacco Products Act.

Section 46 amends Section 30-49-13 NMSA 1978 (being Laws 2015, Chapter 98, Section 12) to delete e-cigarettes or nicotine liquid containers throughout.

Section 47 appropriates \$1,000,000 from the General Fund to the e-cigarette and e-liquid administration fund for expenditure in Fiscal Year 2021 and subsequent fiscal years to administer the provisions of the E-Cigarette and E-Liquid Act. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the General Fund.

Section 48 establishes the effective date of the provisions of this act as July 1, 2020.

### **Current Law:**

The "Tobacco Products E-Cigarette and Nicotine Liquid Container Act" regulates e-cigarettes and e-liquids.

### **Relationship to Other Bills:**

House Bill 23

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**SB 58 MED STUDENTS FOR UNDERSERVED COMMUNITIES (Jerry Ortiz y Pino)****Position:** support **Priority:** yes **Category:****Current Location:** SFC**Referrals:** SCC/SEC/SFC

SPREF [1] SCC/SEC/SFC-SCC [2]germane-SEC [6] DP-SFC

**Scheduled on - Date:** **Time:** **Location:****Updated on - Date:**2020-02-04**Introduced on - Date:**2019-12-30[SB 58 PDF](#) | [SB 58 FIR](#)**Bill Action History***click location to see committee info*

Date	Location/Committee	Action
2020-02-04 [6]	SEC - Senate Finance	Do Pass
2020-01-23 [2]	SCC - Senate Education	Ruled germane
2020-01-22 [1]	SPREF - Senate Committees Committee	Sent to location
2019-12-30 [99]	- Senate Prefiled Legislation	Sent to location

**Synopsis:**

Senate Bill 58 (SB 58) appropriates two-hundred fifty thousand dollars (\$250,000) to the Board of Regents of the University of New Mexico (UNM) for a program that prepares medical students to practice in underserved communities.

**Analysis:**

Senate Bill 58 (SB 58) appropriates two-hundred fifty thousand dollars (\$250,000) from the General Fund (GF) to the University of New Mexico (UNM) in Fiscal Year (FY) 2021 to fund a program that prepares medical students to practice in underserved communities. Any unexpended or unencumbered balance remaining at the end of FY 2021 reverts to the GF.

**Current Law:**

Current Status Beginning in 2015, UNM began the Rural and Urban Underserved Program (R.U.U.P.) that offered an opportunity for medical students to provide health care to underserved groups. The program supports, mentors, and prepares interested medical students to fulfill this goal by providing opportunities to work in underserved communities while in medical school.

**SB 91 FLAVORED E-CIGARETTE PRODUCTS PROHIBITION (Linda M. Lopez)****Position:** support **Priority:** hight **Category:****Current Location:** SPAC**Referrals:** SCC/SPAC/SJC

SPREF [1] SCC/SPAC/SJC-SCC [3]germane-SPAC

**Scheduled on - Date:** **Time:** **Location:****Updated on - Date:**2020-01-27**Introduced on - Date:**2020-01-07[SB 91 PDF](#) | [SB 91 FIR](#)**Bill Action History***click location to see committee info*

Date	Location/Committee	Action
2020-01-27 [3]	SCC - Senate Public Affairs	Ruled germane
2020-01-22 [1]	SPREF - Senate Committees Committee	Sent to location
2020-01-07 [99]	- Senate Prefiled Legislation	Sent to location

**Synopsis:**

Senate Bill 91 (SB 91) bans the sale, purchase or provision of free samples of flavored e-cigarette products. It defines terms and provides penalties.

**Analysis:**

Senate Bill 91 (SB 91) enacts a new section of the Tobacco Products, E-Cigarette and Nicotine Liquid Container Act that bans the sale, purchase or provision of free samples of flavored e-cigarette products. It adds definitions to this act in Section 30-49-2 NMSA 1978, including characterizing flavor; e-cigarette product; flavored e-cigarette product; and tobacco product.

SB 91 includes e-cigarette products in the restrictions on sales of tobacco products from vending machines in Section 30-49-7 NMSA 1978. It establishes the condition that requires e-cigarette products sold from vending machines not to be flavored.

In Section 30-49-8 NMSA 1978, SB 93 makes it unlawful to provide free samples of flavored e-cigarette products to any person with an exception for provision in connection with the practice of cultural or ceremonial activities in accordance with the federal American Indian Religious Freedom Act. SB 93 conforms signage requirements at point of sale in Section 30-49-9 NMSA 1978 to reflect the inclusion of e-cigarette products and flavored e-cigarette products under this act's proposed provisions. It includes violations of the actions prohibited in Section 1 of the 2020 act concerning sale and procurement of e-cigarette products and flavored e-cigarette products under the relevant penalty in Section 30-49-12 NMSA 1978.

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## SB 227 HEALTH GROSS RECEIPT DEDUCTION ELIGIBILITY (Steven P. Neville)

**Position:** #1 **Priority:** **Category:**

**Current Location:** SCORC

**Referrals:** SCC/SCORC/SFC

[5] SCC/SCORC/SFC-SCC-germane-SCORC

**Scheduled on - Date:** **Time:** **Location:**

**Updated on - Date:** 2020-02-07

**Introduced on - Date:** 2020-01-30

[SB 227 PDF](#) | [SB 227 FIR](#)

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### Bill Action History

*click location to see committee info*

Date	Location/Committee	Action
2020-01-31 [5]	SCC - Senate Corporations and Transportation	Ruled germane
2020-01-30 [5]	- Senate Committees Committee	Sent to location

#### Synopsis:

Senate Bill 227 (SB 227) expands the definition of practitioners that are eligible for health care gross receipts tax deductions.

#### Analysis:

Senate Bill 227 (SB 227) expands the practitioners eligible for the Gross Receipts Tax (GRT) health care practitioner deduction to include business majority-owned by health care providers. Qualifying health care businesses that meet the criteria for the GRT deduction may be corporations, limited liability companies, partnerships, or other legal entities.

SB 227 excludes health maintenance organizations, hospitals, hospices, nursing homes, and intermediate care facilities licensed by the Department of Health.

The Taxation and Revenue Department is directed to compile and present an annual report to the appropriate legislative committee with an analysis of the effectiveness and cost of the deduction.

The effective date of SB 227 is July 1, 2020.

#### Current Law:

Current law limits, in a narrow sense, the health care GRT deduction to practitioners, so entities owned by otherwise eligible practitioners may be prohibited from taking the deduction.

#### Relationship to Other Bills:

SB 227 is a duplicate of HB 282.

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