

1 HOUSE BILL 246

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

3 INTRODUCED BY

4 Javier Martínez and Karen C. Bash and Deborah A. Armstrong and  
5 Joanne J. Ferrary and Melanie Ann Stansbury  
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10 AN ACT

11 RELATING TO HIGHER EDUCATION; ENACTING THE MEDICAL SCHOOL  
12 SCHOLARSHIP ACT; MAKING AN APPROPRIATION.  
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14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

15 SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be  
16 cited as the "Medical School Scholarship Act".

17 SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the  
18 Medical School Scholarship Act:

19 A. "academic year" means any consecutive period of  
20 two semesters, three quarters or other comparable units  
21 commencing with the fall term each year;

22 B. "award recipient" means a student awarded a  
23 scholarship;

24 C. "department" means the higher education  
25 department;

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1           D. "eligible institution" means the university of  
2 New Mexico school of medicine; and

3           E. "scholarship" means a full-tuition scholarship  
4 to attend the eligible institution.

5           SECTION 3. [NEW MATERIAL] CREATION OF SCHOLARSHIP.--There  
6 are created "medical school scholarships" that the eligible  
7 institution shall administer pursuant to the Medical School  
8 Scholarship Act.

9           SECTION 4. [NEW MATERIAL] CONDITIONS FOR FIRST-YEAR  
10 ELIGIBILITY.--A scholarship may be awarded to an individual  
11 who:

12           A. is authorized to work in the United States;

13           B. has met the admission requirements and is  
14 accepted for enrollment as a full-time student at the eligible  
15 institution;

16           C. has complied with all the rules adopted by the  
17 eligible institution for award of the scholarship and the  
18 provisions regarding the administration of scholarships adopted  
19 pursuant to the Medical School Scholarship Act; and

20           D. agrees to practice medicine in New Mexico for  
21 the same number of years that the individual received a  
22 scholarship once the individual has completed medical school;  
23 provided that the individual may defer that practice to  
24 complete residency and fellowship.

25           SECTION 5. [NEW MATERIAL] CONDITIONS FOR CONTINUING

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1 ELIGIBILITY.--A scholarship may be reawarded to a student who:

2 A. has been an award recipient at the eligible  
3 institution;

4 B. is enrolled as a full-time student as determined  
5 by the eligible institution;

6 C. is pursuing a doctor of medicine degree; and

7 D. agrees to practice medicine in New Mexico for  
8 the same number of years that the individual received a  
9 scholarship once the individual has completed medical school;  
10 provided that the individual may defer that practice to  
11 complete residency and fellowship.

12 SECTION 6. [NEW MATERIAL] DURATION OF SCHOLARSHIP--AMOUNT  
13 OF SCHOLARSHIPS.--Each scholarship is for a period of one  
14 academic year. Scholarship awards shall be for the cost of  
15 tuition as calculated by the eligible institution.

16 SECTION 7. [NEW MATERIAL] TERMINATION OF SCHOLARSHIPS.--A  
17 scholarship shall be terminated upon the occurrence of:

18 A. withdrawal from the eligible institution by the  
19 award recipient;

20 B. failure of the award recipient to be a full-time  
21 student; or

22 C. substantial noncompliance by the award recipient  
23 with the Medical School Scholarship Act or rules promulgated by  
24 the eligible institution.

25 SECTION 8. [NEW MATERIAL] AWARD CRITERIA--CONTRACT

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1 TERMS--PAYMENT.--

2 A. Scholarship criteria shall provide that:

3 (1) preference in making awards shall be given  
4 to individuals who have graduated from a New Mexico post-  
5 secondary educational institution;

6 (2) preference in making awards shall be given  
7 to individuals who agree to practice in specializations in  
8 which health profession vacancies are difficult to fill;

9 (3) preference in making awards shall be given  
10 to individuals who agree to practice in geographic locations  
11 where vacancies are difficult to fill;

12 (4) award amounts may be modified based upon  
13 available funding or other special circumstances; and

14 (5) an award shall not exceed the total  
15 tuition at the eligible institution.

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

25 C. Award recipients shall complete a complete year

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1 to receive credit for that year. The minimum credit for a year  
2 shall be established by the eligible institution.

3 D. If an award recipient does not comply with the  
4 terms of the contract, the eligible institution shall assess a  
5 penalty of up to three times the amount of award disbursed plus  
6 an annual percentage rate of eighteen percent interest, unless  
7 the eligible institution finds acceptable extenuating  
8 circumstances for why the award recipient cannot comply with  
9 the terms of the contract. If the eligible institution does  
10 not find acceptable extenuating circumstances for the award  
11 recipient's failure to comply with the contract, the eligible  
12 institution shall require repayment plus the amount of the  
13 penalty.

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

18 SECTION 9. [NEW MATERIAL] CONTRACTS--ENFORCEMENT.--The  
19 general form of the contract required shall be prepared and  
20 approved by the attorney general and signed by the award  
21 recipient and the designated representative of the eligible  
22 institution on behalf of the state. The eligible institution  
23 is vested with full and complete authority and power to sue in  
24 its own name to recover any balance due the state from any  
25 student based on any such contract.

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