

1 SENATE BILL 151

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

3 INTRODUCED BY

4 David M. Gallegos

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10 AN ACT

11 RELATING TO HIGHER EDUCATION; ENACTING THE INSTRUCTIONAL
12 SUPPORT PROVIDER LOAN REPAYMENT ACT; PROVIDING POWERS AND
13 DUTIES; CREATING A FUND.

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

16 SECTION 1. A new section of Chapter 21 NMSA 1978 is
17 enacted to read:

18 "[NEW MATERIAL] SHORT TITLE.--This act may be cited as the
19 "Instructional Support Provider Loan Repayment Act".

20 SECTION 2. A new section of Chapter 21 NMSA 1978 is
21 enacted to read:

22 "[NEW MATERIAL] PURPOSE.--The purpose of the Instructional
23 Support Provider Loan Repayment Act is to increase the number
24 of instructional support providers in public schools through an
25 educational loan repayment program. The act provides for

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1 repayment of the principal and reasonable interest accrued on
2 loans obtained from the federal government for instructional
3 support providers' educational purposes."

4 SECTION 3. A new section of Chapter 21 NMSA 1978 is
5 enacted to read:

6 "[NEW MATERIAL] DEFINITIONS.--As used in the Instructional
7 Support Provider Loan Repayment Act:

8 A. "department" means the higher education
9 department;

10 B. "instructional support provider" means a person
11 who is employed to support the instructional program of a
12 school district or charter school, including an educational
13 assistant, school counselor, educational diagnostician, social
14 worker, school nurse, speech-language pathologist,
15 psychologist, physical therapist, occupational therapist,
16 recreational therapist, marriage and family therapist and
17 interpreter for the deaf; and

18 C. "loan" means a grant of money to defray the
19 costs incidental to an instructional support provider's
20 education, under a contract between the federal government and
21 the student, requiring repayment of principal and interest."

22 SECTION 4. A new section of Chapter 21 NMSA 1978 is
23 enacted to read:

24 "[NEW MATERIAL] DEPARTMENT POWERS AND DUTIES--
25 INSTRUCTIONAL SUPPORT PROVIDER ELIGIBILITY--QUALIFICATIONS.--

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1 A. The department may grant a loan repayment award
2 to repay loans obtained by an instructional support provider
3 for educational expenses of the instructional support provider
4 upon such terms and conditions as may be imposed by rules of
5 the department.

6 B. Applicants shall be licensed New Mexico
7 instructional support providers who are bona fide citizens and
8 residents of the United States and of New Mexico and have
9 worked at least three years in New Mexico. High priority shall
10 be given to applicants who are working in designated high-need
11 instructional support provider positions in the state.

12 C. The department and the public education
13 department shall jointly make a full and careful investigation
14 of the ability and qualifications of each applicant and
15 determine the fitness of an instructional support provider to
16 participate in the loan repayment program."

17 SECTION 5. A new section of Chapter 21 NMSA 1978 is
18 enacted to read:

19 "[NEW MATERIAL] LOAN REPAYMENT AWARD CRITERIA--CONTRACT
20 TERMS--PAYMENT.--

21 A. Loan repayment award criteria shall provide
22 that:

23 (1) for high-priority applicants, award
24 amounts shall be dependent upon a specific public school's need
25 for the designated high-need instructional support provider

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1 position, as determined by the public education department, the
2 instructional support provider's total pertinent education
3 indebtedness and available balances in the instructional
4 support provider loan repayment fund;

5 (2) award amounts for other instructional
6 support providers shall be based on the need for an
7 instructional support provider position that can be filled by
8 the applicant, as determined by the public education
9 department, the instructional support provider's total
10 pertinent education indebtedness and available balances in the
11 instructional support provider loan repayment fund;

12 (3) preference in making awards shall be to
13 instructional support providers who have graduated from a New
14 Mexico public post-secondary educational institution;

15 (4) award amounts shall not exceed six
16 thousand dollars (\$6,000) per year and may be modified based
17 upon funding availability or other special circumstances; and

18 (5) the total amount of awards made to any one
19 instructional support provider shall not exceed the total
20 pertinent education indebtedness remaining for that
21 instructional support provider.

22 B. The following education debts are not eligible
23 for repayment pursuant to the Instructional Support Provider
24 Loan Repayment Act:

25 (1) amounts incurred as a result of

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1 participation in state loan-for-service programs or other state
2 programs that require that service be provided in exchange for
3 financial assistance;

4 (2) scholarships that have a service component
5 or obligation;

6 (3) loans from a commercial lender;

7 (4) personal loans from friends or relatives;

8 and

9 (5) loans that exceed individual standard
10 school expense levels.

11 C. Every loan repayment award shall be evidenced by
12 a contract between the instructional support provider and the
13 department acting on behalf of the state. The contract shall
14 provide for the payment by the state of a stated sum each year
15 to the instructional support provider's federal government
16 lender not to exceed six thousand dollars (\$6,000) per year and
17 shall state the obligations of the instructional support
18 provider under the program, including a minimum two-school-year
19 period of service for holders of undergraduate degrees or a
20 minimum four-school-year period of service for holders of
21 graduate degrees, quarterly reporting requirements and other
22 obligations established by the department. Execution of
23 contracts shall occur prior to the start of a school year, and
24 the required period of service starts at the execution of the
25 contract.

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1 D. The department shall make annual payments
2 pursuant to contracts only after satisfactory completion of a
3 full school year of providing instructional support as
4 certified by the public education department. The contract of
5 any instructional support provider who does not complete a full
6 year of instructional support shall be voided, and the
7 instructional support provider shall forfeit any right to that
8 year's payment pursuant to the contract.

9 E. Each contract shall be for an initial two- or
10 four-school-year period and may be extended for three
11 additional two-year contracts. The department shall not enter
12 into any contracts with a single instructional support provider
13 for more than eight years of repayment.

14 F. Loan repayment awards shall be in the form of
15 payments from the instructional support provider loan repayment
16 fund directly to the federal government lender of an
17 instructional support provider who has received the award and
18 shall be considered a payment on behalf of the instructional
19 support provider pursuant to the contract between the
20 department and the instructional support provider. A loan
21 repayment award shall not obligate the state or the department
22 to the instructional support provider's federal government
23 lender for any other payment and shall not be considered to
24 create any privity of contract between the state or the
25 department and the lender.

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1 G. The department, after consulting with the public
2 education department, shall adopt rules to implement the
3 provisions of the Instructional Support Provider Loan Repayment
4 Act. The rules shall provide:

5 (1) a procedure for determining the amount of
6 a loan that will be repaid for each year of service; and

7 (2) for the disbursement of loan repayment
8 awards to an instructional support provider's federal
9 government lender in annual installments after completion of
10 each qualifying full year of teaching."

11 **SECTION 6.** A new section of Chapter 21 NMSA 1978 is
12 enacted to read:

13 "[NEW MATERIAL] CONTRACTS--ENFORCEMENT.--The general form
14 of a contract required pursuant to the Instructional Support
15 Provider Loan Repayment Act shall be prepared and approved by
16 the attorney general, and each contract shall be signed by the
17 instructional support provider and the designated
18 representative of the department on behalf of the state. The
19 department is vested with full and complete authority and power
20 to sue in its own name for any balance due the state from an
21 instructional support provider under any such contract."

22 **SECTION 7.** A new section of Chapter 21 NMSA 1978 is
23 enacted to read:

24 "[NEW MATERIAL] INSTRUCTIONAL SUPPORT PROVIDER LOAN
25 REPAYMENT FUND CREATED--METHOD OF PAYMENT.--The "instructional
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1 support provider loan repayment fund" is created in the state
2 treasury. All money appropriated for the instructional support
3 provider loan repayment program shall be credited to the fund,
4 and any repayment of awards and interest received by the
5 department shall be credited to the fund. Income from the fund
6 shall be credited to the fund, and balances in the fund shall
7 not revert to any other fund. Money in the fund shall be
8 expended only as provided by legislative appropriation for
9 making loan repayment awards pursuant to the Instructional
10 Support Provider Loan Repayment Act. All payments for loan
11 repayment awards shall be made upon vouchers signed by the
12 designated representative of the department and upon a warrant
13 issued by the secretary of finance and administration."

14 SECTION 8. A new section of Chapter 21 NMSA 1978 is
15 enacted to read:

16 "[NEW MATERIAL] CANCELLATION.--The department may cancel
17 any contract made between it and an instructional support
18 provider pursuant to the Instructional Support Provider Loan
19 Repayment Act for any reasonable cause deemed sufficient by the
20 department."

21 SECTION 9. A new section of Chapter 21 NMSA 1978 is
22 enacted to read:

23 "[NEW MATERIAL] REPORTS.--Prior to each regular session of
24 the legislature, the department shall make annual reports to
25 the governor and the legislature of the department's activities

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1 pertaining to the Instructional Support Provider Loan Repayment
2 Act; the loan repayment awards granted; the names and addresses
3 of instructional support providers who received loan repayment
4 awards; the names and locations of the positions filled by
5 those instructional support providers; the name of each
6 instructional support provider who received a loan repayment
7 award who is not serving in a designated high-need
8 instructional support provider position, the amount owed on the
9 loan of each of those instructional support providers and the
10 amount paid on each of those loans by loan repayment awards;
11 and the number of instructional support providers whose
12 contracts were voided because they did not complete a full year
13 of providing instructional support."

14 SECTION 10. EFFECTIVE DATE.--The effective date of the
15 provisions of this act is July 1, 2021.

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