

1 HOUSE BILL 209

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 Kristina Ortez and Gail Armstrong and Joshua N. Hernandez and
5 Natalie Figueroa and Reena Szczepanski
6
7
8
9

10 AN ACT

11 RELATING TO STUDENT LOANS; AMENDING THE HEALTH PROFESSIONAL
12 LOAN REPAYMENT ACT TO UPDATE THE REQUIREMENTS FOR RECEIVING
13 LOAN REPAYMENT.
14

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

16 SECTION 1. Section 21-22D-3 NMSA 1978 (being Laws 1995,
17 Chapter 144, Section 18, as amended) is amended to read:

18 "21-22D-3. DEFINITIONS.--As used in the Health
19 Professional Loan Repayment Act:

20 A. "department" means the higher education
21 department;

22 B. "health professional" means a [~~primary care~~]
23 physician, optometrist, podiatrist, physician's assistant,
24 dentist, nurse, member of an allied health profession as
25 defined in the Allied Health Student Loan for Service Act or a

.224084.1

underscoring material = new
~~[bracketed material] = delete~~

underscoring material = new
~~[bracketed material] = delete~~

1 licensed or certified health professional as determined by the
2 department;

3 C. "loan" means a grant of money to defray the
4 costs incidental to a health education, under a contract
5 between the federal government or a commercial lender and a
6 health professional, requiring either repayment of principal
7 and interest or repayment in services;

8 D. "nurse in advanced practice" means a registered
9 nurse, including a:

10 (1) certified nurse practitioner, certified
11 registered nurse anesthetist or clinical nurse specialist,
12 authorized pursuant to the Nursing Practice Act to function
13 beyond the scope of practice of professional registered
14 nursing; or

15 (2) certified nurse-midwife licensed by the
16 department of health; and

17 E. "osteopathic primary care physician" means an
18 osteopathic physician licensed pursuant to the Medical Practice
19 Act with specialty training in family medicine, general
20 internal medicine, obstetrics, gynecology or general
21 pediatrics."

22 SECTION 2. Section 21-22D-6 NMSA 1978 (being Laws 1995,
23 Chapter 144, Section 21, as amended) is amended to read:

24 "21-22D-6. AWARD CRITERIA--CONTRACT TERMS--PAYMENT.--

25 A. Prior to receiving an award, the health

.224084.1

1 professional shall file with the higher education department a
2 declaration of intent to practice as a health professional in
3 areas of New Mexico designated as underserved by the
4 department. The department shall consult with the department
5 of health when designating areas as underserved.

6 B. Award criteria shall provide that:

7 (1) amounts shall be dependent upon the
8 location of the practice, the applicant's total health
9 professional education indebtedness and characteristics of the
10 practice;

11 (2) preference in making awards shall be to
12 individuals who have graduated from a New Mexico post-secondary
13 educational institution;

14 (3) recruitment awards shall be made to
15 eligible participants who agree to relocate to an approved
16 designated area;

17 (4) highest priority shall be given to
18 participants in practices in which health profession vacancies
19 are difficult to fill, practices that require after hours call
20 at least every other night and practices that have heavy
21 obstetrical responsibilities;

22 (5) award amounts may be modified based upon
23 available funding or other special circumstances; and

24 (6) an award shall not exceed the total
25 medical education indebtedness of any participant.

underscored material = new
[bracketed material] = delete

1 C. The following education debts are not eligible
2 for repayment pursuant to the Health Professional Loan
3 Repayment Act:

4 (1) amounts incurred as a result of
5 participation in state loan-for-service programs or other state
6 programs whose purpose states that service be provided in
7 exchange for financial assistance;

8 (2) scholarships that have a service component
9 or obligation;

10 (3) personal loans from friends or relatives;
11 and

12 (4) loans that exceed individual standard
13 school expense levels.

14 D. The loan repayment award shall be evidenced by a
15 contract between the health professional and the department
16 acting on behalf of the state. The contract shall provide for
17 the payment by the state of a stated sum to the health
18 professional's debtors and shall state the obligations of the
19 health professional under the program, including a minimum
20 [~~two-year~~] three-year period of service, quarterly reporting
21 requirements and other policies established by the department.

22 E. Recipients shall serve a complete year in order
23 to receive credit for that year. The minimum credit for a year
24 shall be established by the department.

25 F. If a health professional does not comply with

underscoring material = new
~~[bracketed material] = delete~~

1 the terms of the contract, the department shall assess a
2 penalty of up to three times the amount of award disbursed plus
3 eighteen percent interest, unless the department finds
4 acceptable extenuating circumstances for why the health
5 professional cannot serve or comply with the terms of the
6 contract. If the department does not find acceptable
7 extenuating circumstances for the health professional's failure
8 to comply with the contract, the department shall require
9 immediate repayment plus the amount of the penalty.

10 G. The department shall adopt regulations to
11 implement the provisions of this section. The regulations may
12 provide for the disbursement of loan repayment awards to the
13 lenders of health professionals in annual or other periodic
14 installments."

15 - 5 -
16
17
18
19
20
21
22
23
24
25