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HOUSE BILL 403

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

INTRODUCED BY

Joy Garratt and Leo Jaramillo

AN ACT

RELATING TO HIGHER EDUCATION; ENACTING THE PUBLIC SERVICE LOAN FORGIVENESS MULTIPLIER ACT; PROVIDING A MULTIPLIER FOR ADJUNCT AND CONTINGENT FACULTY AT PUBLIC POST-SECONDARY EDUCATIONAL INSTITUTIONS; PROVIDING FOR THE CERTIFICATION OF FULL-TIME EMPLOYMENT STATUS; PROVIDING FOR NOTICE AND RENEWAL OF A PUBLIC SERVICE LOAN FORGIVENESS FORM; PROVIDING FOR THE DISSEMINATION OF PUBLIC SERVICE LOAN FORGIVENESS INFORMATION.

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

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

"[NEW MATERIAL] SHORT TITLE.--This act may be cited as the "Public Service Loan Forgiveness Multiplier Act"."

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

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"[NEW MATERIAL] DEFINITIONS.--As used in the Public

Service Loan Forgiveness Multiplier Act:

A. "certifying employment" means either completing the employer sections of the public service loan forgiveness form or sharing data directly with the United States department of education that corresponds to the information required for the public service loan forgiveness form;

B. "employee" means someone who works for a public service employer, regardless of whether the public service employer considers that work to be full-time or part-time, contingent or contracted, or who receives a form W-2 from the employer;

C. "full-time" means the lesser of:

(1) working at least an average of thirty hours per week;

(2) working at least an average of thirty hours per week throughout a contractual or employment period of at least eight months in a twelve-month period; or

(3) an hourly standard adopted by the United States department of education;

D. "public service employer" means a post-secondary educational institution in the state that is designated as a qualifying employer under the federal public service loan forgiveness program by the United States department of education;

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1           E. "public service loan forgiveness form" means the  
2 form used by the United States department of education to  
3 certify an individual's employment at a public service  
4 organization and is used to determine eligibility for the  
5 purposes of the public service loan forgiveness program; and

6           F. "public service loan forgiveness program" means  
7 the federal loan forgiveness program established pursuant to 34  
8 C.F.R. Section §685.219."

9           **SECTION 3.** A new section of Chapter 21 NMSA 1978 is  
10 enacted to read:

11           "[NEW MATERIAL] CERTIFICATION OF EMPLOYMENT--HO  
12 URMULTIPLIER--DETERMINATION OF FULL-TIME EMPLOYMENT.--

13           A. For the purposes of certifying employment for  
14 the public service loan forgiveness program for employees who  
15 are former or current adjunct professors or contingent faculty  
16 at a public post-secondary educational institution, a public  
17 service employer shall credit at least four and thirty-five  
18 hundredths hours worked for each hour of credit or classroom  
19 contact time, regardless of when the hours are worked,  
20 including hours worked on or after October 1, 2007. The  
21 provisions of this subsection shall not supersede any greater  
22 adjustment factor established by a collective bargaining  
23 agreement or employer policy in recognition of additional work  
24 associated with lecture or classroom time for the purpose of  
25 the public service loan forgiveness program and shall have no

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1 other applicability for public service employers and employees.

2 B. When determining whether an employee is  
3 considered full-time, for the purpose of certifying employment  
4 for the public service loan forgiveness program only, a public  
5 service employer shall not treat any adjusted total hours  
6 worked pursuant to this section differently from hours worked  
7 without an adjustment factor.

8 C. For the purpose of certifying employment only, a  
9 public service employer shall consider as full-time, as  
10 necessary, any employee who satisfies the definition of  
11 "full-time" pursuant to Subsection C of Section 2 of the Public  
12 Service Loan Forgiveness Multiplier Act.

13 D. A public service employer shall adopt a policy  
14 of maximizing the amount of time for which an employee's  
15 employment can be considered full time. Nothing in this  
16 section shall require a public service employee to increase the  
17 number of contracted hours for which the employee is paid.

18 E. A public service employer shall treat as a  
19 continuous employment period any consecutive academic terms for  
20 which an employee teaches, regardless of whether such hours are  
21 taught pursuant to separate employment contracts and regardless  
22 of whether such academic terms are separated by routine  
23 academic vacation, but only to the extent that doing so  
24 maximizes the amount of time for which an employee's employment  
25 can be considered full time.

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1 F. Notwithstanding the provisions of this section,  
2 should the United States department of education promulgate  
3 rules related to the calculation of hours worked for the  
4 purposes of certifying employment for the public service loan  
5 forgiveness program that are more favorable to employees than  
6 those requirements provided herein, those rules shall govern."

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

9 "[NEW MATERIAL] EMPLOYMENT CERTIFICATION--PUBLIC SERVICE  
10 LOAN FORGIVENESS FORM--CALCULATION OF TIME WORKED.--

11 A. In the event that the United States department  
12 of education permits public service employers to certify  
13 employment for past or present individual employees or groups  
14 of employees directly with the United States department of  
15 education or its agents, notwithstanding any other provision of  
16 law, a public service employer shall be permitted to send to  
17 the United States department of education or its agents the  
18 information necessary for employment certification.

19 B. Beginning on July 1, 2024, in the event that a  
20 public service employer does not directly certify employment  
21 with the United States department of education pursuant to  
22 Subsection A of this section, the public service employer shall  
23 provide a copy of the public service loan forgiveness form with  
24 the employer information and employment certification sections  
25 of the form already completed:

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1 (1) to any former or current employee who  
2 requests a public service loan forgiveness form;

3 (2) annually for any current employee for whom  
4 the public service employer has previously certified employment  
5 on or after July 1, 2023; and

6 (3) for any employee who is ending work with  
7 the public service employer.

8 C. A partially completed public service loan  
9 forgiveness form shall reflect employment for the prior  
10 twelve-month period and may reflect longer periods of  
11 employment, if necessary.

12 D. Public post-secondary educational institutions  
13 shall use the calculation established in Section 3 of the  
14 Public Service Loan Forgiveness Multiplier Act and may apply it  
15 to hours worked beginning October 1, 2007, only for the purpose  
16 of determining whether a part-time employee is considered full  
17 time for the public service loan forgiveness program.

18 E. A public service employer shall not unreasonably  
19 delay certifying employment.

20 F. Nothing in this section shall prevent a public  
21 service employer from seeking permission from employees prior  
22 to certifying the employees' employment."

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

25 "[NEW MATERIAL] HIGHER EDUCATION DEPARTMENT DUTIES--PUBLIC  
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1 SERVICE EMPLOYER DUTIES--DISSEMINATION OF LOAN FORGIVENESS  
2 INFORMATION.--

3 A. The secretary of higher education or the  
4 secretary's designee shall develop and update, as necessary,  
5 materials designed to promote and increase awareness of the  
6 public service loan forgiveness program. The secretary or the  
7 secretary's designee may use materials developed by other state  
8 agencies or by the United States department of education, as  
9 appropriate. The materials shall include:

10 (1) a standardized letter for public service  
11 employers to distribute to employees that briefly summarizes  
12 the public service loan forgiveness program, provides  
13 information about what eligible employees are required to do to  
14 benefit from the program and recommends that eligible employees  
15 contact their student loan service for additional resources;

16 (2) a detailed fact sheet describing the  
17 public service loan forgiveness program, including the official  
18 websites maintained by the United State department of education  
19 for the program and by the United States department of the  
20 treasury for student loan borrower resources; and

21 (3) a document containing frequently asked  
22 questions about the public service loan forgiveness program.

23 B. The secretary of higher education shall  
24 coordinate with other state agencies and offices, as necessary,  
25 to make the materials available to public service employers.

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C. Each public service employer shall annually provide to all employees the most recent available version of the materials required pursuant to Subsection A of this section in written or electronic form. In addition to those materials, a public service employer shall provide a newly hired employee with those same materials within thirty days of the employee's first day of employment by mail, by electronic mail or during an in-person new employee orientation."

SECTION 6. EFFECTIVE DATE.--

A. The effective date of Sections 1 through 4 of this act is July 1, 2023.

B. The effective date of Section 5 of this act is September 1, 2023.