

HOUSE BILL 24

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO FINANCE; ENACTING THE PROFESSIONAL RECRUITMENT AND RETENTION ACT; PROVIDING FOR PROGRAM ADMINISTRATION BY THE NEW MEXICO MORTGAGE FINANCE AUTHORITY; PROVIDING LOANS FOR SERVICE TO PROFESSIONALS FOR EXPENSES RELATED TO THE PURCHASE OF A HOME; CONDITIONING LOANS ON PRACTICE IN NEW MEXICO; PROVIDING TERMS FOR REPAYMENT; MAKING AN APPROPRIATION.

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

.232706.1AIC January 26, 2026 (2:00pm)

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SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be

cited as the "Professional Recruitment and Retention Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the

Professional Recruitment and Retention Act:

A. "authority" means the New Mexico mortgage finance authority;

B. "loan" means a contract between the authority and a qualified professional to finance the purchase of a home;

C. "program" means the professional recruitment and retention housing loan for service program; and

D. "qualified professional" means a person who meets the requirements of the Professional Recruitment and Retention Act and is one of the following:

(1) a registered nurse licensed pursuant to the Nursing Practice Act;

(2) a dentist or dental hygienist licensed pursuant to the Dental Health Care Act;

(3) a physician licensed pursuant to the Medical Practice Act;

(4) a physician assistant licensed pursuant to the Physician Assistant Act;

(5) an anesthesiologist assistant licensed pursuant to the Anesthesiologist Assistants Act;

(6) a psychologist licensed pursuant to the Professional Psychologist Act;

(7) a pharmacist licensed pursuant to the

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Pharmacy Act;

(8) an occupational therapist licensed pursuant to the Occupational Therapy Act;

(9) a physical therapist licensed pursuant to the Physical Therapy Act;

(10) a respiratory care practitioner licensed pursuant to the Respiratory Care Act;

(11) a speech-language pathologist or an audiologist licensed pursuant to the Speech-Language Pathology, Audiology and Hearing Aid Dispensing Practices Act; and

(12) a social worker licensed pursuant to the Social Work Practice Act.

SECTION 3. [NEW MATERIAL] PROFESSIONAL RECRUITMENT AND RETENTION HOUSING LOAN FOR SERVICE PROGRAM CREATED--LOAN APPLICANT ELIGIBILITY--QUALIFICATIONS.--

A. The "professional recruitment and retention housing loan for service program" is created within the authority. The authority may promulgate rules to carry out the provisions of the Professional Recruitment and Retention Act.

B. The authority shall create an account for any money designated for the program. Loans for the program shall be provided from the account, and the account may consist of subaccounts as the authority deems necessary.

C. The authority may grant a loan to a qualified professional for the down payment or closing costs associated

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with the purchase of a home in New Mexico in exchange for the qualified professional practicing in the state for ten years at no less than three-fourths of full-time employment.

D. Applications shall be submitted to the authority on forms provided by the authority and shall include:

(1) documentation that the qualified professional earns a current annual income that is HGEIC→equal to or←HGEIC below one hundred HGEIC→fifty-one←HGEIC HGEIC→fifty←HGEIC percent of the area median income in the county in which the home being purchased is located, adjusted for family size, as determined by the United States department of housing and urban development;

(2) a copy of the approved mortgage application for the purchase of a home in New Mexico;

(3) proof of licensure provided to the authority by the licensing body of the qualified professional; and

(4) any other documentation required by the authority.

SECTION 4. [NEW MATERIAL] PROGRAM REQUIREMENTS.--The authority shall administer the program pursuant to the following requirements:

A. a loan shall not exceed ten percent of the total home purchase price limit as determined by the authority;

B. if granted, the loan provided by the authority

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shall be a lien on the property for ten years, unless the qualified professional pays off the loan. After the loan recipient has completed the required ten years working as a qualified professional in the state, the obligations of the loan contract shall be met and the lien shall be removed; and

C. a loan shall be granted only one time HGEIC→per qualified professional←HGEIC in the course of ten years.

SECTION 5. [NEW MATERIAL] CONTRACTS--CANCELLATION--REPAYMENT.--

A. A loan is a written contract between the qualified professional and the authority. The general form of the contract required shall be approved by the general counsel of the authority and signed by the qualified professional and by the authority. The contract shall state the terms of the loan and the obligations of the qualified professional under the program.

B. The authority may cancel a contract entered into with a qualified professional for any reasonable cause deemed sufficient by the authority.

C. The authority may sue in its own name to enforce a contract and may seek other remedies available at law or in equity.

D. A qualified professional who is provided a loan and who moves out of state, does not work the required hours, loses or allows to lapse the license to practice or who

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otherwise violates the loan contract within:

(1) the first five years of the loan shall reimburse the authority for the full amount of the loan at an interest rate of five and one-half percent using the proceeds from the sale of the property that was purchased using the loan;

(2) five to seven years of the loan shall reimburse the authority for fifty percent of the loan at an interest rate of five and one-half percent using the proceeds from the sale of the property that was purchased using the loan; or

(3) seven to ten years of the loan shall reimburse the authority for twenty-five percent of the loan at an interest rate of five and one-half percent using the proceeds from the sale of the property that was purchased using the loan.

E. The authority shall provide by rule for loan forgiveness due to extenuating circumstances that are not within the control of the loan recipient, such as serious illness or incapacitation.

SECTION 6. [NEW MATERIAL] REPORTS.--The authority shall make an annual report to the Mortgage Finance Authority Act oversight committee by August 1 of its activities, including the number of loans granted and the professions and locations represented by the loans.

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SECTION 7. APPROPRIATION.--Five million dollars

(\$5,000,000) is appropriated from the general fund to the department of finance and administration for expenditure in fiscal years 2026 and 2027 to contract with the New Mexico mortgage finance authority to carry out the provisions of the Professional Recruitment and Retention Act. Any unexpended balance remaining at the end of fiscal year 2027 shall revert to the general fund.

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