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HOUSE BILL 24

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

INTRODUCED BY

Kathleen Gates

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:

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

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1 and a qualified professional to finance the purchase of a home;

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

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

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

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

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

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

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

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

19 (7) a pharmacist licensed pursuant to the  
20 Pharmacy Act;

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

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

25 (10) a respiratory care practitioner licensed

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1 pursuant to the Respiratory Care Act;

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

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

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

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

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

18 C. The authority may grant a loan to a qualified  
19 professional for the down payment or closing costs associated  
20 with the purchase of a home in New Mexico in exchange for the  
21 qualified professional practicing in the state for ten years at  
22 no less than three-fourths of full-time employment.

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

25 (1) documentation that the qualified

1 professional earns a current annual income that is below one  
2 hundred fifty-one percent of the area median income in the  
3 county in which the home being purchased is located, adjusted  
4 for family size, as determined by the United States department  
5 of housing and urban development;

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

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

11 (4) any other documentation required by the  
12 authority.

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

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

18 B. if granted, the loan provided by the authority  
19 shall be a lien on the property for ten years, unless the  
20 qualified professional pays off the loan. After the loan  
21 recipient has completed the required ten years working as a  
22 qualified professional in the state, the obligations of the  
23 loan contract shall be met and the lien shall be removed; and

24 C. a loan shall be granted only one time in the  
25 course of ten years.

1           SECTION 5.   ~~[NEW MATERIAL]~~ CONTRACTS--CANCELLATION--

2   REPAYMENT.--

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

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

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

16          D.   A qualified professional who is provided a loan  
17   and who moves out of state, does not work the required hours,  
18   loses or allows to lapse the license to practice or who  
19   otherwise violates the loan contract within:

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

25               (2)   five to seven years of the loan shall

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1 reimburse the authority for fifty percent of the loan at an  
2 interest rate of five and one-half percent using the proceeds  
3 from the sale of the property that was purchased using the  
4 loan; or

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

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

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

19 SECTION 7. APPROPRIATION.--Five million dollars  
20 (\$5,000,000) is appropriated from the general fund to the  
21 department of finance and administration for expenditure in  
22 fiscal years 2026 and 2027 to contract with the New Mexico  
23 mortgage finance authority to carry out the provisions of the  
24 Professional Recruitment and Retention Act. Any unexpended  
25 balance remaining at the end of fiscal year 2027 shall revert

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to the general fund.

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