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AN ACT

RELATING TO HIGHER EDUCATION; PROHIBITING CONSIDERATION OF
INCOME FROM MILITARY SERVICE IN AWARDS UNDER THE PUBLIC
SERVICE LAW LOAN REPAYMENT ACT; PROVIDING FOR AN APPEAL OF AN
AWARD DETERMINATION.

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

Section 1. Section 21-22F-1 NMSA 1978 (being Laws
2005, Chapter 83, Section 1) is amended to read:

"21-22F-1. SHORT TITLE.-- Chapter 21, Article 22F NMSA
1978 may be cited as the "Public Service Law Loan Repayment
Act"."

Section 2. Section 21-22F-3 NMSA 1978 (being Laws 2005,
Chapter 83, Section 3) is amended to read:

"21-22F-3. DEFINITIONS.--As used in the Public Service
Law Loan Repayment Act:

A. "committee" means the public service law
advisory committee;

B. "department" means the higher education
department;

C. "legal education" means education at an
accredited law school and any bar review preparation courses
for the state bar examination;

D. "loan" means money allocated to defray the
costs incidental to a legal education under a contract

1 between the federal government or a commercial lender and a
2 law school student, requiring either repayment of principal
3 and interest or repayment in services;

4 E. "participating attorney" means an attorney who
5 receives a loan repayment award from the department pursuant
6 to the provisions of the Public Service Law Loan Repayment
7 Act; and

8 F. "public service employment" means employment
9 with:

10 (1) an organization that is exempt from
11 taxation pursuant to Section 501(c)(3) of Title 26 of the
12 United States Code and that provides for the care and
13 maintenance of indigent persons in New Mexico through civil
14 legal services;

15 (2) the public defender department; or

16 (3) a New Mexico district attorney's
17 office."

18 Section 3. Section 21-22F-5 NMSA 1978 (being Laws 2005,
19 Chapter 83, Section 5) is amended to read:

20 "21-22F-5. LOAN REPAYMENT PROGRAM--PARTICIPANT
21 ELIGIBILITY--AWARD CRITERIA.--

22 A. An applicant shall be licensed to practice in
23 New Mexico as an attorney and shall declare an intent to
24 practice as an attorney in public service employment.

25 B. Prior to submitting an application to the

1 public service law loan repayment program, an applicant shall
2 apply to all available legal education loan repayment
3 programs offered by the applicant's law school for which the
4 applicant qualifies.

5 C. An applicant who intends to practice as an
6 attorney in a public service employment position that earns
7 more than forty-five thousand dollars (\$45,000) per year is
8 not eligible for participation in the public service law loan
9 repayment program.

10 D. Prior to receiving a loan repayment award, the
11 applicant shall file with the department:

12 (1) a declaration of intent to practice as
13 an attorney in public service employment;

14 (2) proof of prior application to all legal
15 education loan repayment programs offered by the applicant's
16 law school for which the applicant qualifies; and

17 (3) documentation that includes the
18 applicant's total legal education debt, salary, any amounts
19 received by the applicant from other law loan repayment
20 programs and other sources of income deemed by the department
21 as appropriate for consideration; provided that the applicant
22 shall not be required to disclose amounts of income from
23 military service.

24 E. Award criteria shall provide that:

25 (1) preference in making awards shall be to

1 applicants who:

2 (a) have graduated from the university
3 of New Mexico law school;

4 (b) have the greatest financial need
5 based on legal education indebtedness and salary;

6 (c) work in public service employment
7 that has the lowest salaries; and

8 (d) work in public service employment
9 in underserved areas of New Mexico that are in greatest need
10 of attorneys practicing in public service employment;

11 (2) an applicant's employment as an attorney
12 in public service employment prior to participation in the
13 public service law loan repayment program shall not count as
14 time spent toward the minimum three-year period of service
15 requirement pursuant to the contract between the
16 participating attorney and the department acting on behalf of
17 the state;

18 (3) award amounts are dependent upon the
19 applicant's total legal education debt, salary and sources of
20 income other than income from military service deemed by the
21 department as appropriate for consideration;

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

24 (5) an award shall not exceed the total
25 legal education debt of any participant;

1 (6) award amounts shall be reduced by the
2 sum of the total award amounts received by the participant
3 from other legal education loan repayment programs; and

4 (7) an award determination may be appealed
5 to the secretary of higher education.

6 F. The following legal education debts are not
7 eligible for repayment pursuant to the Public Service Law
8 Loan Repayment Act:

9 (1) amounts incurred as a result of
10 participation in state or law school loan-for-service
11 programs or other state or law school programs whose purposes
12 state that service be provided in exchange for financial
13 assistance;

14 (2) scholarships that have a service
15 component or obligation;

16 (3) personal loans from relatives or
17 friends; and

18 (4) loans that exceed individual standard
19 school expense levels."_____

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