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HOUSE BILL 180

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

INTRODUCED BY

David M. Gallegos

AN ACT

RELATING TO HIGHER EDUCATION; ENACTING THE INSTRUCTIONAL
SUPPORT PROVIDER LOAN REPAYMENT ACT; PROVIDING POWERS AND
DUTIES; CREATING A FUND.

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
"Instructional Support Provider Loan Repayment Act"."

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

"[NEW MATERIAL] PURPOSE.--The purpose of the Instructional
Support Provider Loan Repayment Act is to increase the number
of instructional support providers in public schools through an
educational loan repayment program. The act provides for

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1 repayment of the principal and reasonable interest accrued on
2 loans obtained from the federal government for instructional
3 support providers' education purposes."

4 SECTION 3. A new section of Chapter 21 NMSA 1978 is
5 enacted to read:

6 "[NEW MATERIAL] DEFINITIONS.--As used in the Instructional
7 Support Provider Loan Repayment Act:

8 A. "department" means the higher education
9 department;

10 B. "instructional support provider" means a person
11 who is employed to support the instructional program of a
12 school district, including educational assistant, school
13 counselor, educational diagnostician, social worker, school
14 nurse, speech-language pathologist, psychologist, physical
15 therapist, occupational therapist, recreational therapist,
16 marriage and family therapist and interpreter for the deaf; and

17 C. "loan" means a grant of money to defray the
18 costs incidental to an instructional support provider's
19 education, under a contract between the federal government and
20 the student, requiring repayment of principal and interest."

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

23 "[NEW MATERIAL] DEPARTMENT POWERS AND DUTIES--
24 INSTRUCTIONAL SUPPORT PROVIDER ELIGIBILITY--QUALIFICATIONS.--

25 A. The department may grant a loan repayment award

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1 to repay loans obtained by an instructional support provider
2 for educational expenses of the instructional support provider
3 upon such terms and conditions as may be imposed by rules of
4 the department.

5 B. Applicants shall be licensed New Mexico
6 instructional support providers who are bona fide citizens and
7 residents of the United States and of New Mexico and have
8 worked at least three years in New Mexico. High priority shall
9 be given to applicants who are working in designated high-need
10 instructional support provider positions in the state.

11 C. The department and the public education
12 department shall jointly make a full and careful investigation
13 of the ability and qualifications of each applicant and
14 determine the fitness of an instructional support provider to
15 participate in the loan repayment program."

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

18 "[NEW MATERIAL] LOAN REPAYMENT AWARD CRITERIA--CONTRACT
19 TERMS--PAYMENT.--

20 A. Loan repayment award criteria shall provide
21 that:

22 (1) for high-priority applicants, award
23 amounts shall be dependent upon a specific public school's need
24 for the designated high-need instructional support provider
25 position, as determined by the public education department, the

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1 instructional support provider's total pertinent education
2 indebtedness and available balances in the instructional
3 support provider loan repayment fund;

4 (2) award amounts for other instructional
5 support providers shall be based on the need for an
6 instructional support provider position that can be filled by
7 the applicant, as determined by the public education
8 department, the instructional support provider's total
9 pertinent education indebtedness and available balances in the
10 instructional support provider loan repayment fund;

11 (3) preference in making awards shall be to
12 instructional support providers who have graduated from a New
13 Mexico public post-secondary educational institution;

14 (4) award amounts shall not exceed six
15 thousand dollars (\$6,000) per year and may be modified based
16 upon funding availability or other special circumstances; and

17 (5) the total amount of awards made to any one
18 instructional support provider shall not exceed the total
19 pertinent education indebtedness remaining for that
20 instructional support provider.

21 B. The following education debts are not eligible
22 for repayment pursuant to the Instructional Support Provider
23 Loan Repayment Act:

24 (1) amounts incurred as a result of
25 participation in state loan-for-service programs or other state

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1 programs whose purpose states that service be provided in
2 exchange for financial assistance;

3 (2) scholarships that have a service component
4 or obligation;

5 (3) loans from a commercial lender;

6 (4) personal loans from friends or relatives;

7 and

8 (5) loans that exceed individual standard
9 school expense levels.

10 C. Every loan repayment award shall be evidenced by
11 a contract between the instructional support provider and the
12 department acting on behalf of the state. The contract shall
13 provide for the payment by the state of a stated sum each year
14 to the instructional support provider's federal government
15 lender not to exceed six thousand dollars (\$6,000) per year and
16 shall state the obligations of the instructional support
17 provider under the program, including a minimum two-school-year
18 period of service for holders of undergraduate degrees or a
19 minimum four-school-year period of service for holders of
20 graduate degrees, quarterly reporting requirements and other
21 obligations established by the department. Execution of
22 contracts shall occur prior to the start of a school year, and
23 the required period of service starts at the execution of the
24 contract.

25 D. The department shall make annual payments

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1 pursuant to contracts only after satisfactory completion of a
2 full school year of providing instructional support as
3 certified by the public education department. The contract of
4 any instructional support provider who does not complete a full
5 year of instructional support shall be voided, and the
6 instructional support provider shall forfeit any right to that
7 year's payment pursuant to the contract.

8 E. Each contract shall be for an initial two- or
9 four-school-year period and may be extended for three
10 additional two-year contracts. The department shall not enter
11 into any contracts with a single instructional support provider
12 for more than eight years of repayment.

13 F. Loan repayment awards shall be in the form of
14 payments from the instructional support provider loan repayment
15 fund directly to the federal government lender of an
16 instructional support provider who has received the award and
17 shall be considered a payment on behalf of the instructional
18 support provider pursuant to the contract between the
19 department and the instructional support provider. A loan
20 repayment award shall not obligate the state or the department
21 to the instructional support provider's federal government
22 lender for any other payment and shall not be considered to
23 create any privity of contract between the state or the
24 department and the lender.

25 G. The department, after consulting with the public

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1 education department, shall adopt rules to implement the
2 provisions of the Instructional Support Provider Loan Repayment
3 Act. The rules shall provide:

4 (1) a procedure for determining the amount of
5 a loan that will be repaid for each year of service; and

6 (2) for the disbursement of loan repayment
7 awards to an instructional support provider's federal
8 government lender in annual installments after completion of
9 each qualifying full year of teaching."

10 SECTION 6. A new section of Chapter 21 NMSA 1978 is
11 enacted to read:

12 "[NEW MATERIAL] CONTRACTS--ENFORCEMENT.--The general form
13 of a contract required pursuant to the Instructional Support
14 Provider Loan Repayment Act shall be prepared and approved by
15 the attorney general, and each contract shall be signed by the
16 instructional support provider and the designated
17 representative of the department on behalf of the state. The
18 department is vested with full and complete authority and power
19 to sue in its own name for any balance due the state from an
20 instructional support provider under any such contract."

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

23 "[NEW MATERIAL] INSTRUCTIONAL SUPPORT PROVIDER LOAN
24 REPAYMENT FUND CREATED--METHOD OF PAYMENT.--The "instructional
25 support provider loan repayment fund" is created in the state

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1 treasury. All money appropriated for the instructional support
2 provider loan repayment program shall be credited to the fund,
3 and any repayment of awards and interest received by the
4 department shall be credited to the fund. Income from the fund
5 shall be credited to the fund, and balances in the fund shall
6 not revert to any other fund. Money in the fund shall be
7 expended only as provided by legislative appropriation for
8 making loan repayment awards pursuant to the Instructional
9 Support Provider Loan Repayment Act. All payments for loan
10 repayment awards shall be made upon vouchers signed by the
11 designated representative of the department and upon a warrant
12 issued by the secretary of finance and administration."

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

15 "[NEW MATERIAL] CANCELLATION.--The department may cancel
16 any contract made between it and an instructional support
17 provider pursuant to the Instructional Support Provider Loan
18 Repayment Act for any reasonable cause deemed sufficient by the
19 department."

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

22 "[NEW MATERIAL] REPORTS.--Prior to each regular session of
23 the legislature, the department shall make annual reports to
24 the governor and the legislature of the department's activities
25 pertaining to the Instructional Support Provider Loan Repayment

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1 Act; the loan repayment awards granted; the names and addresses
2 of instructional support providers who received loan repayment
3 awards; the names and locations of the positions filled by
4 those instructional support providers; the name of each
5 instructional support provider who received a loan repayment
6 award who is not serving in a designated high-need
7 instructional support provider position, the amount owed on
8 each instructional support provider's loan and the amount paid
9 on each instructional support provider's loan by loan repayment
10 awards; and the number of instructional support providers whose
11 contracts were voided because they did not complete a full year
12 of providing instructional support."

13 SECTION 10. EFFECTIVE DATE.--The effective date of the
14 provisions of this act is July 1, 2020.