

LFC Requester:	Conner Jorgensen
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**AGENCY BILL ANALYSIS
2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment**
Correction **Substitute**

Date January 23, 2025
Bill No: HB90

Sponsor: Zamora, Armstrong
Short Veterinary Medical Loan
Title: Repayment Program

Agency Name and Code
Number: New Mexico State University/954
Person Writing Clayton Abbey
Phone: 505-239-8821 **Email** nmsufir@nmsu.edu

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
5,000.0		Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 90 (HB90) designed to provide repayments loans incurred for student debt related to tuition/fees associated with attending Veterinary School. This bill is focused on encouraging veterinarians to practice in underserved areas of New Mexico. This bill directs New Mexico Higher Education Department (NMHED) will provide funding for loan repayment for licensed veterinarians that continue to practice in underserved areas.

FISCAL IMPLICATIONS

HB90 appropriates five million dollars (\$5,000,000) from the General Fund to the Veterinary Medical Loan Repayment Fund under NMHED in Fiscal Year 2025 (FY25) through FY31 to carry out the purposes of the fund.

SIGNIFICANT ISSUES

Since NM does not have a Veterinary Medical Education Institution, interested students must prepare for out of state educational opportunities to obtain a Doctorate degree in Veterinary Medicine. Several options are available for NM resident students. New Mexico participates in the Western Interstate Commission for Higher Education (WICHE) and their Professional Student Exchange Program (PSEP). The WICHE PSEP has assisted NM students with their quest to obtain a Veterinary Medical degree for several decades. To date, the WICHE PSEP has graduated 631 New Mexico residents as veterinarians. The number of applicants that may receive WICHE tuition support is determined each year by the NM Legislature, so it may vary from one year to the next. Currently, eight students per year are eligible for tuition support. The sending state sends a support fee each year, for each student, to the receiving Veterinary Medical Education Institution. This support fee is mostly applied to the student tuition making the WICHE students' tuition debt somewhat comparable to an in-state student, depending on the receiving school and the WICHE Commission negotiated support fee. The WICHE partner schools include: Colorado State University, Washington State University, Oregon State University, Midwestern University (Glendale, Arizona). Texas Tech University School of Veterinary Medicine (TTUVM) is the newest veterinary school in the United States. They are also partnering with New Mexico by dedicating their nonresident seats to New Mexico residents. Therefore, between WICHE and TTUVM there are approximately 20 seats for New Mexico residents. This is adequate to meet the needs of New Mexico if we can do a better job of enticing our New Mexico residents to return and continue to practice in New Mexico. New Mexico students receiving tuition support through the WICHE PSEP must return to NM and be employed in a veterinary practice, currently for a period of **three years of service**, or be subject to tuition repayment and substantial penalties. While this does get veterinarians back to New Mexico often they do not seek employment in underserved areas. This is related to salary

disparities between rural and urban areas. It is estimated that most of the veterinarians complete veterinary school with approximately \$200,000 loan debt. According to the Bureau of Labor statistics, the average salary of a new graduate associate veterinarian in semi-rural and/or rural New Mexico is \$95,000 which is \$30,000-\$50,000 lower than urban offers. Rural veterinary practices need ways to increase competitiveness regarding salary and living expenses. Programs that offset a portion of school loan debt, such as a loan payment for service time rendered would allow rural practitioners to offer this incentive to someone they hire. New Mexico has a similar program for healthcare professionals and the creation of a similar program for veterinarians would be beneficial.

PERFORMANCE IMPLICATIONS

HB90 does not specify performance measures but requires annual reporting to the Legislature on program outcomes.

ADMINISTRATIVE IMPLICATIONS

In Section 3 Part D2 regarding applicants

This portion of the bill states applicants need to be New Mexico residents. This needs to be further defined because NM residents attend veterinary school in other states due to NM not having a School of Veterinary Medicine. So veterinary students may change residency to live in other states. This could be addressed since this bill requires a year of service in NM to qualify for this program.

Throughout this bill there is a focus on this program applying to food-animal veterinarians only. While there is a shortage of food-animal veterinarians this will not serve the intention of this bill. There are very few areas in New Mexico that a veterinarian can focus solely on food animals. It should be clarified that a portion of their practice should be dedicated to food-animal medicine that could be tied to the amount of livestock within the area. The qualification criteria should be determined and evaluated by the selection committee.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

229040.2SA pre-filed on the senate side is a duplicate with differing language on page 9 of each bill related to unexpended or unencumbered balances. HB90 states that any unexpended or unencumbered balance at the end of a fiscal year shall not revert to the general fund. 229040.2SA states that any unexpended or unencumbered balance at the end of a fiscal year shall not revert to any other fund.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

No Veterinary Medical Loan Repayment Act will be created. There will continue to be a shortage of veterinarians in rural and underserved areas of the state.

AMENDMENTS

N/A