

1 HOUSE BILL 375

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO HIGHER EDUCATION; ENACTING THE GRADUATE BEHAVIORAL
12 HEALTH SCHOLARSHIP ACT TO PROVIDE DEBT-FREE EDUCATION TO
13 ELIGIBLE GRADUATE STUDENTS WHO ARE STUDYING TO BECOME
14 BEHAVIORAL HEALTH PROFESSIONALS; REQUIRING THE HIGHER EDUCATION
15 DEPARTMENT TO ADMINISTER THE GRADUATE BEHAVIORAL HEALTH
16 SCHOLARSHIP PROGRAM; MAKING AN APPROPRIATION.
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18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

19 SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be
20 cited as the "Graduate Behavioral Health Scholarship Act".

21 SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the
22 Graduate Behavioral Health Scholarship Act:

23 A. "academic year" means any consecutive period of
24 two semesters, three quarters or other comparable units
25 commencing with the fall term each year;

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1 B. "department" means the higher education
2 department;

3 C. "eligible institution" means any graduate-
4 degree-granting institution of higher education that is
5 enumerated in Article 12, Section 11 of the constitution of New
6 Mexico;

7 D. "eligible student" means a person enrolled in a
8 graduate behavioral health degree program at an eligible
9 institution who:

10 (1) has not earned a master's or doctoral
11 degree from a graduate behavioral health degree program at the
12 time the scholarship is awarded;

13 (2) remains in good academic standing as
14 determined by the eligible institution where the eligible
15 student is enrolled;

16 (3) is enrolled as a full-time graduate
17 student as determined by the eligible institution where the
18 eligible student is enrolled; and

19 (4) has complied with other rules promulgated
20 by the department to carry out the provisions of the Graduate
21 Behavioral Health Scholarship Act;

22 E. "graduate behavioral health degree program"
23 means a program of study intended to result in a master's or
24 higher degree or certification in the field of:

25 (1) counseling;

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- 1 (2) psychiatric nursing;
- 2 (3) nurse practitioner or physician assistant
- 3 in addiction medicine;
- 4 (4) psychology; or
- 5 (5) social work; and

6 F. "scholarship" means the graduate behavioral
7 health scholarship.

8 SECTION 3. [NEW MATERIAL] GRADUATE BEHAVIORAL HEALTH
9 SCHOLARSHIP FUND CREATED.--The "graduate behavioral health
10 scholarship fund" is created as a nonreverting fund in the
11 state treasury, consisting of income from investment of the
12 fund and any specified distributions, appropriations, gifts,
13 grants and donations to the fund. The fund shall be
14 administered by the higher education department, and money in
15 the fund is appropriated to the higher education department for
16 the purposes of providing scholarships pursuant to the Graduate
17 Behavioral Health Scholarship Act. Expenditures from the fund
18 shall be by warrant of the secretary of finance and
19 administration pursuant to vouchers signed by the secretary of
20 higher education or the secretary's authorized representative.

21 SECTION 4. [NEW MATERIAL] SCHOLARSHIP CREATED--
22 ADMINISTRATION.--

23 A. Scholarships shall be awarded to eligible
24 students in an amount not to exceed one hundred percent of the
25 costs of tuition, school fees, books, licensing application

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1 fees and initial licensing fees after all other state financial
2 aid has been applied.

3 B. The department shall administer the Graduate
4 Behavioral Health Scholarship Act and shall promulgate rules to
5 carry out the provisions of that act.

6 C. An eligible student may only be awarded a
7 scholarship for one graduate behavioral health degree program.

8 D. Prior to June 1 of each year, based on the
9 amount appropriated by the legislature from the graduate
10 behavioral health scholarship fund and on the projected
11 enrollment of eligible students at eligible institutions, the
12 department shall:

13 (1) determine the total amount of money
14 available for scholarships; and

15 (2) distribute to each eligible institution an
16 amount based on the projected enrollment in graduate behavioral
17 health degree programs at each eligible institution; provided
18 that the amount shall not exceed the remaining balance of the
19 graduate behavioral health scholarship fund.

20 E. Prior to receiving a scholarship, an eligible
21 student shall commit to practice in New Mexico for as many
22 years as the eligible student receives a scholarship. The
23 commitment shall be evidenced by a contract between the
24 eligible student and the department.

25 F. If an eligible student graduates from a graduate

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1 behavioral health degree program and fails to fulfill the
2 contractual commitment to practice in New Mexico, the
3 department shall assess a penalty of up to three times the
4 amount of the value of the scholarship awarded to the student,
5 unless the department finds acceptable extenuating
6 circumstances for why the eligible student cannot fulfill the
7 commitment.

8 SECTION 5. [NEW MATERIAL] DURATION OF SCHOLARSHIP.--

9 A. Each scholarship is for a period of one academic
10 year.

11 B. Scholarships may be provided to an eligible
12 student until the eligible student completes a graduate
13 behavioral health degree program.

14 SECTION 6. [NEW MATERIAL] TERMINATION OF SCHOLARSHIP.--A
15 scholarship is terminated upon the occurrence of:

16 A. withdrawal of the eligible student from the
17 eligible institution;

18 B. failure of the eligible student to achieve
19 satisfactory academic progress set by the eligible institution
20 where the eligible student is enrolled; or

21 C. substantial noncompliance by the eligible
22 student with the Graduate Behavioral Health Scholarship Act or
23 the rules promulgated pursuant to that act.

24 SECTION 7. [NEW MATERIAL] DEPARTMENT RULEMAKING AND
25 REPORTING.--

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1 A. The department shall promulgate rules setting
2 forth explicit criteria in accordance with the Graduate
3 Behavioral Health Scholarship Act for:

4 (1) student eligibility; and
5 (2) calculating the total amount of money
6 necessary to pay for scholarships at each eligible institution.

7 B. The department shall report by November 1 of
8 each year to the legislative finance committee, the legislative
9 health and human services committee and the department of
10 finance and administration on the:

11 (1) status of the graduate behavioral health
12 scholarship fund; and

13 (2) aggregated data for each eligible
14 institution that shows the:

15 (a) number of eligible students who
16 received scholarships in the prior academic year;

17 (b) total number of students enrolled in
18 graduate behavioral health degree programs in the prior
19 academic year; and

20 (c) number of eligible students who
21 graduated with a degree from a graduate behavioral health
22 degree program in the prior academic year.

23 SECTION 8. APPROPRIATION.--

24 A. Ten million dollars (\$10,000,000) is
25 appropriated from the general fund to the graduate behavioral
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1 health scholarship fund for expenditure in fiscal year 2026 and
2 subsequent fiscal years to:

3 (1) provide scholarships to eligible students;
4 and

5 (2) provide the higher education department
6 with up to one hundred fifty thousand dollars (\$150,000) to
7 administer the fund and make reports required by the Graduate
8 Behavioral Health Scholarship Act.

9 B. Any unexpended or unencumbered balance remaining
10 at the end of a fiscal year shall not revert to the general
11 fund.