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SENATE BILL 143

**53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018**

INTRODUCED BY

Gerald Ortiz y Pino

AN ACT

RELATED TO PUBLIC SERVICE LAW LOAN REPAYMENT; REMOVING THE  
EARNINGS CAP FOR ELIGIBILITY FOR CERTAIN LOAN REPAYMENT  
ASSISTANCE.

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

**SECTION 1.** Section 21-22F-5 NMSA 1978 (being Laws 2005,  
Chapter 83, Section 5, as amended) is amended to read:

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

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

B. Prior to submitting an application to the public  
service law loan repayment program, an applicant shall apply to  
all available legal education loan repayment programs offered

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1 by the applicant's law school for which the applicant  
2 qualifies.

3 ~~[G. An applicant who intends to practice as an~~  
4 ~~attorney in a public service employment position that earns~~  
5 ~~more than fifty-five thousand dollars (\$55,000) per year is not~~  
6 ~~eligible for participation in the public service law loan~~  
7 ~~repayment program.~~

8 ~~D.]~~ C. Prior to receiving a loan repayment award,  
9 the applicant shall file with the department:

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

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

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

22 ~~[E.]~~ D. Award criteria shall provide that:

23 (1) preference in making awards shall be to  
24 applicants who:

25 (a) have graduated from the university

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1 of New Mexico law school;

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

4 (c) work in public service employment  
5 that has the lowest salaries; and

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

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

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

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

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

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

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

3 [~~F-~~] E. The following legal education debts are not  
4 eligible for repayment pursuant to the Public Service Law Loan  
5 Repayment Act:

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

10 (2) scholarships that have a service component  
11 or obligation;

12 (3) personal loans from relatives or friends;  
13 and

14 (4) loans that exceed individual standard  
15 school expense levels."

16 SECTION 2. EFFECTIVE DATE.--The effective date of the  
17 provisions of this act is July 1, 2018.