

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	NA	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

Senate Bill 8 (SB8) establishes the Veterinary Medical Loan Repayment Act, which directs the New Mexico Higher Education Department (NMHED) to establish a loan repayment program for licensed veterinarians serving underserved areas in New Mexico.

FISCAL IMPLICATIONS

SB8 appropriates five million dollars (\$5,000,000) from the General Fund to the Veterinary Medical Loan Repayment Fund, which will be managed by NMHED in Fiscal Year 2025 (FY25) through FY31. To support the program's administrative responsibilities as provided within this legislation, NMHED requests an additional full-time employee (FTE). This expansion to Financial Aid loan repayment programs necessitates comprehensive monitoring to ensure its effectiveness. To support this legislation, one (1) full-time Financial Coordinator III (pay band 75) will be required to manage participant and financial reporting. This position will independently oversee program, policy, and budget analysis across multiple funding sources, while performing highly complex technical, professional, and administrative work that involves formulating and directing overall program and accounting functions. The annual salary for this FTE ranges from a minimum of sixty-one thousand five hundred thirty-one dollars (\$61,531) to a maximum of ninety-eight thousand four hundred forty-nine dollars (\$98,449) annually.

SIGNIFICANT ISSUES

New Mexico faces a critical shortage of veterinarians across rural and urban areas. The U.S. Department of Agriculture National Institute of Food and Agriculture identified fifteen (15) New Mexico counties and the Navajo Nation as Rural Area Food Animal Medicine Shortage Areas (<https://www.nifa.usda.gov>). These shortage areas pose significant risks to animal health, agricultural productivity, and community well-being, particularly in New Mexico's rural and tribal regions.

The above situation is compounded by the substantial educational debt burden carried by veterinarians, who like other healthcare professionals, often incur substantial levels of student debt. Veterinarians carry an average educational debt of one hundred eighty-three thousand eight hundred two dollars (\$183,802). This financial pressure is especially concerning given that research has consistently shown that veterinarians have a higher suicide risk compared with the general population, including a 2019 study published in the *Journal of the American Veterinary Medical Association* (Witte et al., 2019) which documents robust statistical evidence confirming this concerning trend.

In response to these challenges, HB90 establishes the Veterinary Medical Loan Repayment Act, offering financial relief to veterinarians who commit to serving in underserved areas. The program offers graduated financial assistance. Veterinarians must complete one-year service commitments in designated shortage areas to receive program benefits, helping ensure sustained access to veterinary care in New Mexico's most vulnerable communities. Recipients shall serve one year (12 months) to receive credit for one year of service. The annual award shall not exceed fifteen thousand dollars (\$15,000) for the first two years of service and twenty-five thousand dollars (\$25,000) for each of the second two years, for a total not to exceed eighty thousand dollars (\$80,000).

SB8 establishes a program that is structurally similar to the State's existing Health Professional Loan Repayment Program (HPLRP) administered by NMHED (21-22D NMSA 1978). Candidate selection for HPLRP is conducted by a Health Professional Advisory Committee established in rule and composed of experts in health policy. NMHED would seek a panel with similar expertise to aid in candidate selection for veterinary loan repayment. This may include participants from the New Mexico Department of Agriculture, New Mexico Board of Veterinary Medicine, New Mexico Veterinary Medical Association, and other stakeholders.

New Mexico currently offers out-of-state deferential tuition to students who have been accepted into a Western Interstate Commission of Higher Education (WICHE) Loan-For-Service program. Currently NMHED funds ten (10) slots for veterinary medicine. As a condition of the loan, students must declare their intent to return to New Mexico to provide service as a professional of veterinary medicine. These veterinarians are not required to practice in underserved areas of the state.

Sources:

Witte, T. K., Spitzer, E. G., Edwards, N., Fowler, K. A., & Nett, R. J. (2019). Suicides and deaths of undetermined intent among veterinary professionals from 2003 through 2014. *Journal*

of the American Veterinary Medical Association, 255(5), 595-608.
<https://doi.org/10.2460/javma.255.5.595>

PERFORMANCE IMPLICATIONS

SB8 does not specify performance measures but requires annual reporting to the Legislature on program outcomes.

ADMINISTRATIVE IMPLICATIONS

SB8 directs NMHED to promulgate rules to carry out the provisions of the Veterinary Medical Loan Repayment Act. The administrative code would clarify details such as the structure of the selection communities to review applicants, underserved areas, and area of veterinary practice.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Companionship Bill HB90.

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. Without the Veterinary Medical Loan Repayment Act, New Mexico will likely continue facing critical veterinary shortages in underserved communities. This shortage particularly impacts rural and tribal communities, where limited access to veterinary care threatens both animal health and agricultural productivity.

AMENDMENTS

N/A