

1 HOUSE BILL 304  
2 57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

3 INTRODUCED BY  
4 Rebecca Dow and Mark B. Murphy  
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10 AN ACT  
11 RELATING TO LAW ENFORCEMENT; ENACTING THE LAW ENFORCEMENT  
12 OFFICER LOAN REPAYMENT ACT; GRANTING LOAN REPAYMENT AWARDS TO  
13 CERTAIN LAW ENFORCEMENT OFFICERS; PROVIDING FOR CONTRACTS,  
14 CONTRACT CANCELLATIONS AND CONTRACT ENFORCEMENT; CREATING A  
15 FUND; MAKING AN APPROPRIATION.  
16

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

18 SECTION 1. A new section of Chapter 21 NMSA 1978 is  
19 enacted to read:

20 "[NEW MATERIAL] SHORT TITLE.--This act may be cited as the  
21 "Law Enforcement Officer Loan Repayment Act"."

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

24 "[NEW MATERIAL] DEFINITIONS.--As used in the Law  
25 Enforcement Officer Loan Repayment Act:

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- 1           A. "applicant" means a person applying for an  
2 award;
- 3           B. "award" means the grant of money to repay loans;
- 4           C. "department" means the higher education  
5 department;
- 6           D. "fund" means the law enforcement officer loan  
7 repayment fund;
- 8           E. "law enforcement officer" means a person who is  
9 an employee of a New Mexico county or municipal law enforcement  
10 agency and who is authorized to carry a firearm and is  
11 certified pursuant to federal law or the Law Enforcement  
12 Training Act;
- 13           F. "loan" means a grant of money pursuant to a  
14 contract between a student and the federal government, state  
15 government or a commercial lender to defray the costs  
16 incidental to an undergraduate or law enforcement education and  
17 that requires either repayment of principal and interest or  
18 repayment in services; and
- 19           G. "program" means the law enforcement officer loan  
20 repayment program, which provides money to repay undergraduate  
21 education student loans and loans for law enforcement  
22 training."

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

25           "[NEW MATERIAL] POWERS AND DUTIES.--The department may:

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1           A. grant an award to repay loans obtained for  
2 undergraduate education and law enforcement training obtained  
3 by a law enforcement officer upon such terms and conditions as  
4 may be imposed by rule of the department; and

5           B. delegate to other agencies or contract for the  
6 performance of services required by the program."

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

9           "[NEW MATERIAL] AWARDS--CRITERIA--CONTRACT TERMS.--

10           A. An applicant shall be a law enforcement officer  
11 before applying for the program.

12           B. Prior to receiving an award, a law enforcement  
13 officer shall file an application with the department that  
14 meets the criteria established by rule of the department.

15           C. An award recipient shall certify on at least an  
16 annual basis the recipient's continued employment as a law  
17 enforcement officer by a New Mexico county or municipal law  
18 enforcement agency.

19           D. The following debts are not eligible for  
20 repayment pursuant to the Law Enforcement Officer Loan  
21 Repayment Act:

22                   (1) amounts incurred as a result of  
23 participation in state loan-for-service programs or other state  
24 programs whose purposes state that service be provided in  
25 exchange for financial assistance;

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

3 (3) personal loans from friends or relatives;

4 (4) loans that exceed individual standard  
5 school expense levels; and

6 (5) loans that are eligible for another state  
7 or federal loan repayment program.

8 E. Award criteria shall provide that:

9 (1) the applicant has satisfactorily completed  
10 at least three years of service as a law enforcement officer  
11 for a New Mexico municipality or county;

12 (2) the percentage of repayment directly  
13 relates to years of service completed as a law enforcement  
14 officer;

15 (3) priority shall be given to law enforcement  
16 officers who work in geographic areas where vacancies are  
17 difficult to fill as determined by the department of public  
18 safety;

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

21 (5) an award for each law enforcement officer  
22 shall not exceed twenty-five thousand dollars (\$25,000) or the  
23 loan indebtedness of the officer, whichever is less.

24 F. Every loan repayment award shall be evidenced by  
25 a contract between the law enforcement officer and the

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1 department on behalf of the state. The contract shall provide  
2 for the payment by the state of a stated sum to the law  
3 enforcement officer's federal government lender, state  
4 government lender or commercial lender and shall state the  
5 obligations of the law enforcement officer under the program as  
6 established by the department.

7 G. A contract between a law enforcement officer and  
8 the department shall provide that if the law enforcement  
9 officer does not comply with the terms of the contract, the law  
10 enforcement officer shall reimburse the department for all loan  
11 payments made on the law enforcement officer's behalf plus  
12 reasonable interest at a rate to be determined by the  
13 department unless the department finds acceptable extenuating  
14 circumstances for why the law enforcement officer cannot serve  
15 or comply with the terms of the contract.

16 H. Awards shall be in the form of payments from the  
17 fund directly to the federal government lender, state  
18 government lender or commercial lender for a law enforcement  
19 officer who has received the award and shall be considered a  
20 payment on behalf of the law enforcement officer pursuant to  
21 the contract between the department and the law enforcement  
22 officer. An award shall not obligate the state or the  
23 department to a law enforcement officer's lender for any other  
24 payment and shall not be considered to create any privity of  
25 contract between the state or the department and the lender.

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1 I. The department shall adopt rules to implement  
2 the provisions of the Law Enforcement Officer Loan Repayment  
3 Act. The rules:

4 (1) shall provide a procedure for determining  
5 the amount of the loan that will be repaid; and

6 (2) may provide for the disbursement of awards  
7 to the lender in annual or other periodic installments."

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

10 "[NEW MATERIAL] CONTRACTS--ENFORCEMENT--CANCELLATION.--

11 A. The general form of a contract required pursuant  
12 to the Law Enforcement Officer Loan Repayment Act shall be  
13 prepared and approved by the department's general counsel, and  
14 each contract shall be signed by the law enforcement officer  
15 and the secretary of higher education or the secretary's  
16 authorized representative on behalf of the state. The  
17 department is vested with full and complete authority and power  
18 to sue in its own name for any balance due to the state from a  
19 law enforcement officer under a loan repayment contract.

20 B. The department may cancel a contract made  
21 between the department and a law enforcement officer pursuant  
22 to the Law Enforcement Officer Loan Repayment Act for any  
23 reasonable cause deemed sufficient by the department."

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

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1           "[NEW MATERIAL] LAW ENFORCEMENT OFFICER LOAN REPAYMENT  
2 FUND CREATED.--The "law enforcement officer loan repayment  
3 fund" is created in the state treasury. The fund consists of  
4 appropriations, repayment of awards and interest received by  
5 the department, income from investment of the fund, gifts,  
6 grants and donations. The fund shall be administered by the  
7 department, and money in the fund is appropriated to the  
8 department to make awards pursuant to the Law Enforcement  
9 Officer Loan Repayment Act. Money in the fund at the end of a  
10 fiscal year shall not revert to any other fund. All payments  
11 for awards shall be made on warrants of the secretary of  
12 finance and administration pursuant to vouchers signed by the  
13 secretary of higher education or the secretary's authorized  
14 representative."

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

17           "[NEW MATERIAL] REPORTS.--The department shall submit  
18 annual reports to the governor and the legislature prior to  
19 each regular legislative session of the department's  
20 activities, the awards granted and the job title and duties of  
21 each loan recipient. The report shall also include any  
22 contract cancellations and enforcement actions the department  
23 has taken."

24           SECTION 8. EFFECTIVE DATE.--The effective date of the  
25 provisions of this act is July 1, 2025.

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