

TITLE 5 POST-SECONDARY EDUCATION
CHAPTER 7 TUITION AND FINANCIAL AID
PART 7 CHILDREN, YOUTH AND FAMILIES WORKER LOAN REPAYMENT PROGRAM

5.7.7.1 ISSUING AGENCY: State of New Mexico Higher Education Department
[5.7.7.1 NMAC - N, 7/15/2015]

5.7.7.2 SCOPE: Provisions for 5.7.7 NMAC apply to certain professionals employed with the children youth and families department that are selected to participate in the loan repayment program described in this rule.
[5.7.7.2 NMAC - N, 7/15/2015]

5.7.7.3 STATUTORY AUTHORITY: Sections 9-25-8, 21-1-26 and 21-22I-1 through 21-22I-8, NMSA 1978.
[5.7.7.3 NMAC - N, 7/15/2015]

5.7.7.4 DURATION: Permanent
[5.7.7.4 NMAC - N, 7/15/2015]

5.7.7.5 EFFECTIVE DATE: July 15, 2015, unless a later date is cited at the end of a section.
[5.7.7.5 NMAC - N, 7/15/2015]

5.7.7.6 OBJECTIVE: The objective and purpose of 5.7.7 NMAC is to increase the number of public service workers in critical need positions at the children youth and families department through an educational loan repayment program. The program provides for repayment of the principal and reasonable interest accrued on federal and commercial loans obtained for education purposes.
[5.7.7.6 NMAC - N, 7/15/2015]

5.7.7.7 DEFINITIONS:

A. "CYFD" means the New Mexico children, youth, and families department.
B. "Department" means the New Mexico higher education department.
C. "Designated critical need positions" means positions that have been designated by the secretary of CYFD as positions in geographic areas with shortages of public service workers or where vacancies are difficult to fill.
D. "Loan" means a grant of funds to defray the educational expenses incidental to an education related to the employment at CYFD, under a contract between the federal government or commercial lender and the worker, requiring repayment of principal and interest.

E. "Public Service Worker" means an employee with a completed bachelor's or master's degree, directly related to the worker's position, in a critical need positions and who works directly with children and families in either the protective services division or juvenile justice division of CYFD.
[5.7.7.7 NMAC - N, 7/15/2015]

5.7.7.8 HIGHER EDUCATION DEPARTMENT - POWERS AND DUTIES:

A. The department may grant a loan repayment award to repay loans obtained for the educational expenses of a public service worker upon such terms and conditions as may be imposed by rules of the department.
B. The department and the children youth and families department shall jointly make a full and careful investigation of the ability and qualifications of each applicant.
[5.7.7.8 NMAC - N, 7/15/2015]

5.7.7.9 PUBLIC SERVICE WORKER ELIGIBILITY:

A. Applicants shall have satisfactorily completed at least one (1) year of service past their initial probationary year with the CYFD as a public service worker.
B. Applicants shall not be participants in any other federal or state loan repayment program that provides loan repayment assistance in exchange for service.
[5.7.7.9 NMAC - N, 7/15/2015]

5.7.7.10 LOAN REPAYMENT AWARD CRITERIA; CONTRACT TERMS; PAYMENT:

A. The secretaries of the department and the CYFD shall designate a selection committee for the purpose of review and selection of qualified applicants.

B. Loan repayment award criteria shall provide that:

(1) award amounts shall be dependent upon a specific need for the designated critical need public service worker position as determined by the department, the public service worker's total education indebtedness, and available balances in the public service worker loan repayment fund;

(2) preference in making awards shall be to public service workers who have graduated from a New Mexico public post-secondary educational institution;

(3) awards shall be made to eligible public service workers who fill a designated critical need position;

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

(5) awards may be distributed on a pro-rata basis for each year of service completed; and

(6) an award for each public service worker shall not exceed twenty-five thousand dollars (\$25,000) or the loan indebtedness of the worker, whichever is less.

C. The following public service worker education debts are not eligible for repayment pursuant to the Children, Youth and Families Worker Loan Repayment Act:

(1) amounts incurred as a result of participation in state loan-for-service programs or other state programs whose purpose states that service be provided in exchange for financial assistance;

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

(3) personal loans from friends or relatives;

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

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

D. Every loan repayment award shall be evidenced by a contract between the public service worker and the department acting on behalf of the state. The contract shall provide for the payment by the state of a stated sum to the public service worker's approved lender and shall state the obligations of the public service worker under the program, including a minimum period of service in a designated critical need public service worker position, quarterly reporting requirements, and other obligations established by the department.

E. Public service workers who have completed their probationary period and serve an additional year in a designated critical need position shall receive credit for one (1) year for the purpose of calculating any loan repayment award amounts.

F. The contract between a public service worker and the department shall provide that, if the public service worker does not comply with the terms of the contract, the public service worker shall reimburse the department for all loan payments made on the public service worker's behalf, plus reasonable interest at a rate to be determined by the department, unless the department finds acceptable extenuating circumstances for why the public service worker cannot comply with the terms of the contract.

G. Loan repayment awards shall be in the form of payments from the public service worker loan repayment fund directly to the federal government or commercial lender of a public service worker who has received the award and shall be considered a payment on behalf of the public service worker pursuant to the contract between the department and the public service worker. A loan repayment award shall not obligate the state or the department to the public service worker's federal government lender for any other payment and shall not be considered to create any contract between the state or the department and the lender.

H. The department, after consulting with the CYFD, shall develop policies and procedures to implement the Children, Youth and Families Worker Loan Repayment Act. The policies and procedures:

(1) shall provide a procedure for determining the amount of a loan that will be repaid for each year of service in a designated public service worker position; the maximum annual award amount shall be based on program demand and available appropriations;

(2) shall incorporate scoring criteria including but not limited to geographic area or facility served, total loan indebtedness of the worker, years of service in a critical need position, and prior loan repayment or other financial support provided to the worker; and

(3) shall provide for the disbursement of loan repayment awards to a public service worker's federal government or commercial lender in annual or other periodic installments.

[5.7.7.10 NMAC - N, 7/15/2015]

5.7.7.11 CONTRACTS AND ENFORCEMENT:

A. The general form of a contract required pursuant to the Children, Youth and Families Worker Loan Repayment Act shall be prepared and approved by the department's general counsel, and each contract shall be signed by the public service worker and the designated representative of the department on behalf of the state.

B. The department is vested with full and complete authority and power to sue in its own name for any balance due the state from a public service worker under any such contract.
[5.7.7.11 NMAC - N, 7/15/2015]

5.7.7.12 PUBLIC SERVICE WORKER LOAN REPAYMENT FUND CREATED AND METHOD OF PAYMENT:

A. The "children, youth and families worker loan repayment fund" is created in the state treasury. All money appropriated for the public service worker loan repayment program shall be credited to the fund, and any repayment of awards and interest received by the department shall be credited to the fund. Income from the fund shall be credited to the fund, and balances in the fund shall not revert to any other fund. Money in the fund is appropriated to the department for making loan repayment awards pursuant to the Children, Youth and Families Worker Loan Repayment Act.

B. All payments for loan repayment awards shall be made upon vouchers signed by the designated representative of the department and upon a warrant issued by the secretary of finance and administration.
[5.7.7.12 NMAC - N, 7/15/2015]

5.7.7.13 CANCELLATION: The department may cancel any contract made between it and a public service worker pursuant to the Children, Youth and Families Worker Loan Repayment Act for any reasonable cause deemed sufficient by the department.
[5.7.7.13 NMAC - N, 7/15/2015]

5.7.7.14 REPORTS: The department shall make annual reports to the governor and the legislature prior to each regular session of its activities, the loan repayment awards granted and the title and job duties of each loan recipient. The report shall also include any contract cancellations and any enforcement actions the department has taken.
[5.7.7.14 NMAC - N, 7/15/2015]

HISTORY OF 5.7.7 NMAC: [RESERVED]