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This is an amendment to 5.7.31 NMAC, Sections 7 and 9, effective 7/24/2018.

5.7.31.7 DEFINITIONS:

- **A.** "**Department**" means the New Mexico higher education department.
- **B.** "Committee" means the public service law advisory committee.
- **C.** "**Legal education**" means education at an <u>American bar association</u> accredited law school and any bar review preparation courses for the state bar examination.
- **D.** "Loan" means money allocated to defray the costs incidental to a legal education under a contract between the federal government or a commercial lender and a law school student, requiring either repayment of principal and interest or repayment in services.
- **E.** "Participating attorney" means an attorney who receives a loan repayment award from the department pursuant to the provisions of the public service law loan repayment program.
 - F. "Public service employment" means employment with:
- (1) an organization that is exempt from taxation pursuant to Section 501 (c) (3) of Title 26 of the United States Code and that provides for the care and maintenance of indigent persons in New Mexico through civil legal services;
 - (2) the public defender department; or
 - (3) a New Mexico district attorney's office.

[5.7.31.7 NMAC - N, 12/31/2007; A, 7/24/2018]

5.7.31.9 LOAN REPAYMENT PROGRAM ELIGIBILITY AND AWARD CRITERIA:

- **A.** An applicant shall be licensed to practice in New Mexico as an attorney and shall declare 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 by the applicant's law school for which the applicant qualifies.
- C. An applicant who intends to practice as an attorney in a public service employment position that earns more than [fifty five] seventy-five thousand dollars [(\$55,000)] (\$75,000) per year is not eligible for participation in the public service law loan repayment program.
 - **D.** Prior to receiving a loan repayment award, the applicant shall file with the department:
 - (1) a declaration of intent to practice as an attorney in public service employment;
- (2) proof of prior application to all legal education loan repayment programs offered by the applicant's law school for which the applicant qualifies; and
- (3) documentation that includes the applicant's total legal education debt, salary, any amounts received by the applicant from other law loan repayment programs and other sources of income deemed by the department as appropriate for consideration; provided that the applicant shall not be required to disclose amounts of income from military service.
 - **E.** Award criteria shall provide that:
 - (1) preference in making awards shall be to applicants who:
 - (a) have graduated from the university of New Mexico law school;
 - (b) have the greatest financial need based on legal education indebtedness and

salary;

- (c) work in public service employment that has the lowest salaries; and
- (d) work in public service employment in underserved areas of New Mexico that are in greatest need of attorneys practicing in public service employment;
- (2) an applicant's employment as an attorney in public service employment prior to participation in the public service law loan repayment program shall not count as time spent toward the minimum three-year period of service requirement pursuant to the contract between the participating attorney and the department acting on behalf of the state;
- (3) award amounts are dependent upon the applicant's total legal education debt, salary and other sources of income, other than income from military service, deemed by the department as appropriate for consideration;

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- (4) award amounts may be modified based upon available funding or other special circumstances:
 - (5) an award shall not exceed the total legal education debt of any participant; and
- (6) award amounts shall be reduced by the sum of the total award amounts received by the participant from other legal education loan repayments programs.
- **F.** The following legal education debts are not eligible for repayment pursuant to the [Public Service Law Repayment Program] public service law loan repayment program:
- (1) amounts incurred as a result of participation in state or law school loan-for-service programs or other state or law school programs whose purposes state that service be provided in exchange for financial assistance;
 - (2) scholarships that have a service component or obligation;
 - (3) personal loans from relatives or friends; and
 - (4) loans that exceed individual standard school expense levels;
 - an award determination may be appealed to the secretary of higher education.

[5.7.31.9 NMAC - N, 12/31/2007; A, 5/30/2008; A, 10/31/2013; A, 7/24/2018]

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