TITLE 5POST-SECONDARY EDUCATIONCHAPTER 7TUITION AND FINANCIAL AIDPART 36COMMUNITY GOVERNANCE ATTORNEY PROGRAM

5.7.36.1 ISSUING AGENCY: State of New Mexico Higher Education Department. [5.7.36.1 NMAC - N, X/XX/2024]

5.7.36.2 SCOPE: Provisions of 5.7.36 NMAC apply to all participants of the Community Governance
Attorney Act.
[5.7.36.1 NMAC - N, X/XX/2024]

5.7.36.3 STATUTORY AUTHORITY: Section 21-21Q-1 et seq. NMSA 1978. [5.7.36.3 NMAC - N, X/XX/2024]

5.7.36.4 DURATION: Permanent. [5.7.36.4 NMAC - N, X/XX/2024]

5.7.36.5 EFFECTIVE DATE: Month XX, 2024 [5.7.36.5 NMAC - N, X/XX/2024]

5.7.36.6 OBJECTIVE: The objective and purpose of the Community Governance Attorney Act is to encourage law students to serve as community governance attorneys by making conditional tuition waivers available to law students commencing their final year of law school who commit to such service. In the event the student does not complete two years of community governance attorney service, the waiver shall be repaid.

5.7.36.7 **DEFINITIONS:**

A. "Commission" means the Community Governance Attorney commission.

B. "Community governance attorney" means an attorney with a legal practice that is focused on the requirements and challenges faced by small political subdivisions and unincorporated communities, including the promulgation of land and water use ordinances, contracting and the collection or payment of taxes and fees.

C. "Conditional tuition waiver" means a loan to cover law school tuition, fees and a reasonable living stipend that is forgiven in whole or in part if the participant renders service as a community governance attorney.

D. "Department" means the New Mexico higher education department.

E. "Extenuating circumstances" means circumstances not within the control of the recipient.

F. "Participant" means an individual who has applied to participate in, has been accepted into and has a signed a contract agreeing to the terms of the program.

G. "Program" means the loan for service program to provide legal services for land grantsmercedes, acequias and colonias.

[5.7.36.7 NMAC - N, X/XX/2024]

5.7.36.8 COMMUNITY GOVERNANCE ATTORNEY COMMISSION:

The commission is created to advise the department on matters relating to the administration of the Community Governance Attorney Act.

- The commission shall be appointed and shall be composed of:
 - (1) The secretary of the department or secretary's designee;
 - (2) The dean of the law school at the university of New Mexico or the dean's designee;
 - (3) Three members appointed by the governor:
 - (a) one member shall be a member of an acequia;
 - (b) one member shall be a current or past member of the land grant council; and

(c) one member shall be a current or past member of the colonias infrastructure

board and a resident of a colonia.

A.

- **B.** The responsibilities of the commission shall include:
 - (1) making recommendations to the department on applicants for the program; and

(2) advising the department on the adoption of rules to implement the provisions of the Community Governance Attorney Act. [5.7.36.8 NMAC - N, X/XX/2024]

5.7.36.9 PARTICIPANT ELIGIBILITY: To be eligible for this program, a student must:

A. have completed the first two years of law school and be in good academic standing at the university of New Mexico school of law;

B. be a resident of New Mexico; and

C. declare an intent to serve as a community governance attorney in New Mexico.

[5.7.36.9 NMAC - N, X/XX/2024]

5.7.36.10 SELECTION OF CONDITIONAL WAIVER RECIPIENTS: Selection shall be based on the following considerations and preferences:

A. the ability, character and qualifications of each applicant; to include a review of the applicant's educational transcripts, letters of recommendation, and references; and

B. the demonstrated interest of the applicant in serving as a community governance attorney. [5.7.36.10 NMAC - N, X/XX/2024]

5.7.36.11 **RESPONSIBILITIES OF THE DEPARTMENT:**

The department shall:

- A. Adopt rules as are necessary to carry out the provisions of the program; and
- **B.** Administer the waivers, including:
 - (1) disbursing funds;
 - (2) keeping records on program participants and processing of waiver contracts;
 - (3) administration of and record keeping on waiver repayments;
- (4) record keeping on location and time of service of participants who have completed their education and are serving as a community governance attorney in New Mexico;
 - (5) verification of qualification for forgiveness for service; and
 - (6) preparing the following information annually:

(a) number of the participants who serve as a community governance attorney after completion of their law school education;

- (b) names and addresses of participants; and
- (c) names and locations of practice of those who have completed their education and have become community governance attorneys in New Mexico.

[5.7.36.11 NMAC - N, X/XX/2024]

5.7.36.12 CONDITIONAL TUITION WAIVERS: Conditional tuition waivers may be made to one or two students who will be entering their final year of law school under the following conditions and limitations.

A. The department shall set the amount of the conditional tuition waiver after consulting with the university of New Mexico school of law regarding tuition and average living stipend and considering the availability of funds.

B. The department shall publicize the program to law students and prospective law students.

C. Upon approval of the waiver, a contract shall be drawn between the student and the department and signed by the student.

[5.7.36.12 NMAC - N, X/XX/2024]

5.7.36.13 CONDITIONAL TUITION WAIVER REPAYMENT AND FORGIVENESS: All waivers

shall be repaid to the state together with interest or forgiven according to the following:

A. Participants who meet their community governance attorney commitment

(1) If the participant, after completion of their law school education serves for two years as a community governance attorney in New Mexico, one hundred percent of the principal plus accrued interest shall be forgiven;

(2) If the participant, after completion of their law school education serves for one year as a community governance attorney in New Mexico, fifty percent of the waiver shall be forgiven;

(3) Participants must serve a complete year of service to receive credit for that year.

B. Participants who do not meet their community governance attorney commitment

(1) If a conditional tuition waiver recipient completes their law school education and does not serve as a community governance attorney for a period of at least one year, the department shall assess a penalty of the principal due, plus eighteen percent interest, unless the department finds acceptable extenuating circumstances for why the student cannot serve and comply with the forgiveness provisions outlined in this section.

(2) The full penalty shall apply unless the circumstances reflect that the penalty should be reduced on a prorated basis reasonably reached based upon the degree of control which the recipient has over the decision not to serve. The recipient shall have the burden of proof.

(3) If the department does not find acceptable extenuating circumstances for the participant's failure to carry out their declared intent to serve in as a community governance attorney, the department shall require immediate repayment of the unpaid principal amount of the waiver plus accrued interest owed the state plus the amount of any penalty assessed pursuant to this subsection.

(4) In all other cases, waivers will bear interest at seven percent per year.

C. The contract shall further provide that immediately upon completion or termination of the student's law school education, all interest then accrued due shall be capitalized.

D. Subject to applicable statutory limitations, the department may extend or modify the foregoing repayment periods for good cause.

E. In the event it becomes necessary, the department may suspend waiver payments using the following forbearance provisions:

(1) If the participant is willing, but financially unable to make payments under the repayment schedule, the participant may request forbearance to allow for any of the following:

(a) A short period during which no payments are made, interest would continue to accrue;

(b) An extension of time for making payments, interest would continue to accrue; or

(c) A period during which the participant makes smaller payments than were originally scheduled, interest would continue to accrue on the unpaid principal.

(2) Except as provided in this section, forbearance following completion of program shall not be granted for periods extending beyond six months.

(3) The participant shall submit a written request accompanied by a financial statement and a consent-waiver for authorization for current employment and address information concerning the participant, and other information as requested.

(4) Deferral of repayment obligation may be as follows, at the determination of the department:

(a) the participant is serving up to a maximum of three years as an active-duty member of the armed forces of the United States;

(b) the participant is temporarily totally disabled, for a period not to exceed three years, as established by sworn affidavit of a qualified physician;

(c) the participant is seeking but unable to find full-time employment for a single period not to exceed twelve months;

(d) the participant is unable to secure employment for a period not to exceed 12 months while caring for a disabled spouse;

(e) the participant is unable to satisfy the terms of the repayment schedule while seeking but unable to find full-time employment in an eligible health profession, in a designated shortage area, for a single period not to exceed 27 months;

(f) the participant is working in a judicial clerkship or fellowship;

(g) other extenuating circumstances as provided for under the American Family

Leave Act; or

(h) an extended forbearance as approved by the department.

F. Waivers may be prepaid at any time, subject to the penalty provision set forth in this Section. Payment on a waiver not in repayment may be made in any amount. Payments on a matured promissory note shall be in the amounts of and be applied on the principal installments due on such note in the inverse order of the maturities of such installments, unless otherwise agreed.

G. Authorized charges and fees:

(1) Late charges: Participant may be charged a late charge in the amount of five percent of the installment payment or five dollars, whichever is less, on any payment made later than 10 days after it is due.

(2) Attorney's fees, other charges, and costs: Participant shall agree to pay all reasonable attorney's fees, and other costs and charges necessary for the collection of any waiver amount not paid when due.

H. Participant shall notify the department in advance of any change of address and of any action which necessitates reconsideration of a promissory note. Participant's failure to notify the department and to execute a promissory note on request shall cause the full amount of principal and accumulated interest to become due immediately.

[5.7.36.13 NMAC - N, X/XX/2024]

5.7.36.14 CONTRACTS: A contract shall be drawn between each student receiving a waiver and the department on behalf of the state of New Mexico. The contract shall:

A. provide for the payment by the department of a specified sum as determined in 5.7.36.13 NMAC;

B. state that immediately upon completion or termination of the student's law school education, all interest then accrued shall be capitalized;

C. state the conditions of repayment or forgiveness as detailed in 5.7.36.13 NMAC;

D. state that the waiver shall bear interest at the designated rate per annum from the date of disbursement until paid, make provision for conversion to a payout note as shown in 5.7.36 NMAC and state that interest will be charged on the unpaid balance of the principal;

E. state the legal responsibilities of the participant and that delinquent waivers shall be referred to the department for appropriate action, which may include referral to the office of the attorney general, if deemed necessary;

F. state that the participant's obligations of the contract with the department shall be binding on participant's estates

G. state that the department may cancel any contract on 30 days written notice for any reasonable and sufficient cause;

H. state that in the event the participant fails to make any payment when due, the entire indebtedness including interest due and accrued thereon shall, at the option of the department, become immediately due and payable; and

I. state that jurisdiction and venue shall be proper in Bernalillo County or Santa Fe County, New Mexico for purposes of any suit to enforce the contract.

[5.7.36.14 NMAC - N, X/XX/2024]

5.7.36.15 FUND FOR LEGAL SERVICES

A. The commission shall solicit proposals from the university of New Mexico or non-profit organizations whose mission is to provide a range of free services to low-income New Mexicans.

B. The commission shall enter into contracts to provide community governance attorney services to acequias, land grants-mercedes and low-income residents of colonias on issues regarding the governance of colonias.

C. Each selected contractor shall demonstrate sufficient matching with non-state funding to provide a full-time community governance attorney position.

D. The contract shall provide no more than one-half of the funding for a full-time community governance attorney position.

[5.7.36.15 NMAC - N, X/XX/2024]

5.7.36.16 **REPORTS**:

The department shall submit a report to the governor and the legislature prior to each regular legislative session. The report shall describe the activities during the previous years, including the statistics, and analysis of the progress of the Community Governance Attorney Act.

[5.7.36.16 NMAC - N, X/XX/2024]

History of 5.7.36 NMAC: [RESERVED]