## NOTICE OF PROPOSED RULEMAKING

**NOTICE IS HEREBY GIVEN** that the New Mexico Higher Education Department (NMHED) will hold a public rulemaking hearing on September 26, 2017. The hearing will begin at 1:00 p.m. and will be held at NMHED located at 2044 Galisteo Street, Suite 4, Santa Fe, NM 87505. The purpose of the rulemaking hearing is to take public comment regarding a proposed rulemaking for a new rule 5.7.33 NMAC, TAX REFUND INTERCEPT BY NEW MEXICO HIGHER EDUCATION DEPARTMENT.

**Proposed New Sections:** 5.7.33.1 NMAC, ISSUING AGENCY; 5.7.33.2 NMAC, SCOPE; 5.7.33.3 NMAC, STATUTORY AUTHORITY; 5.7.33.4 NMAC, DURATION; 5.7.33.5 NMAC, EFFECTIVE DATE; 5.7.33.6 NMAC, OBJECTIVE; 5.7.33.7 NMAC, DEFINITIONS; 5.7.33.8 NMAC, SUBMITTING REQUESTS TO THE TAXATION AND REVENUE DIVISION; 5.7.33.9 NMAC, NOTICE PROCEDURES; 5.7.33.10 NMAC, PROCESSING OF ADMINISTRATIVE HEARING REQUESTS; 5.7.33.11 NMAC, ADMINISTRATIVE HEARINGS; 5.7.33.12 NMAC, FINAL DETERMINATION AND NOTICE OF OFFSET; 5.7.33.13 NMAC, CONFIDENTIALITY; 5.7.33.14 NMAC, EXHIBIT A; 5.7.33.15 NMAC, EXHIBIT B

**Purpose**: The purpose of the proposed rule changes are to establish NMHED procedures for administration of the Tax Refund Intercept Program. Establishing procedures will accommodate for changes that were made to the program through the signing of Senate Bill 181 in the 2017 regular legislative session, which designated NMHED as a claimant agency.

## **Summary of proposed rules:**

The rule establishes procedures for NMHED to submit requests to the New Mexico Taxation and Revenue Department (TRD) to claim a tax refund intercept when an education debt owned and originated by NMHED has been reduced to judgment. The rule provides notice procedures for both the debtor and the spouse of the debtor that may be impacted by an intercept of a joint tax return. The rule details the process to request an administrative hearing and procedures for conducting an administrative hearing. The rule establishes procedures for concluding a final determination on the offset amount and procedures for providing notice of the final determination. The rule establishes confidentiality requirements for NMHED, as related to information obtained through TRD. The rule provides exhibits which reflect the notice to be provided by NMHED to a debtor.

A public hearing will be held from 1:00 p.m. until 2:30 p.m. at NMHED on September 26, 2017. Any person who is or may be affected by these proposed rules may appear and testify.

Interested persons may submit written comments to NMHED at 2044 Galisteo Street, Suite 4, Santa Fe, NM 87505 or <a href="mailto:fin.aid@state.nm.us">fin.aid@state.nm.us</a>. Written comments must be received no

**later than 5:00 p.m. on September 20, 2017.** If submitting written comments by email, please indicate in the subject line the number and section of each rule(s) for which you are providing comments. Oral comments will also be accepted at the rule hearing, subject to time limitations

Legal authority for this rulemaking can be found Sections 7-2C-1 through 7-2C14 NMSA 1978 and Section 9-25-8 NMSA 1978.

Any person with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or auxiliary aid or service to attend or participate in the hearing should contact 1-800-279-9777 ten (10) business days prior to the hearing.