

STATEMENT TO

ASSEMBLY, No. 4623

With Assembly Floor Amendments
(Proposed by Assemblyman CAPUTO)

ADOPTED: JANUARY 31, 2019

These floor amendments:

(1) clarify that HESAA may declare an NJCLASS loan in default when the authority determines parties to the loan are no longer able to repay the loan. As introduced, the bill authorizes the authority to declare that a loan is in default when the authority determines that the parties no longer intend to repay the loan;

(2) provide additional flexibility to HESAA to enter into a settlement agreement without the involvement of all parties to the loan;

(3) clarify that the written settlement agreement currently provided for under the bill is a proposed settlement agreement and that it will reflect the agreed upon terms in the oral agreement; and

(4) provide HESAA with greater discretion in determining whether a rehabilitated loan will continue to be considered rehabilitated when the parties fail to honor the obligations of the settlement agreement.