

# SENATE, No. 765

## STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

**Sponsored by:**

**Senator SANDRA B. CUNNINGHAM**

**District 31 (Hudson)**

**Senator THOMAS H. KEAN, JR.**

**District 21 (Morris, Somerset and Union)**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Co-Sponsored by:**

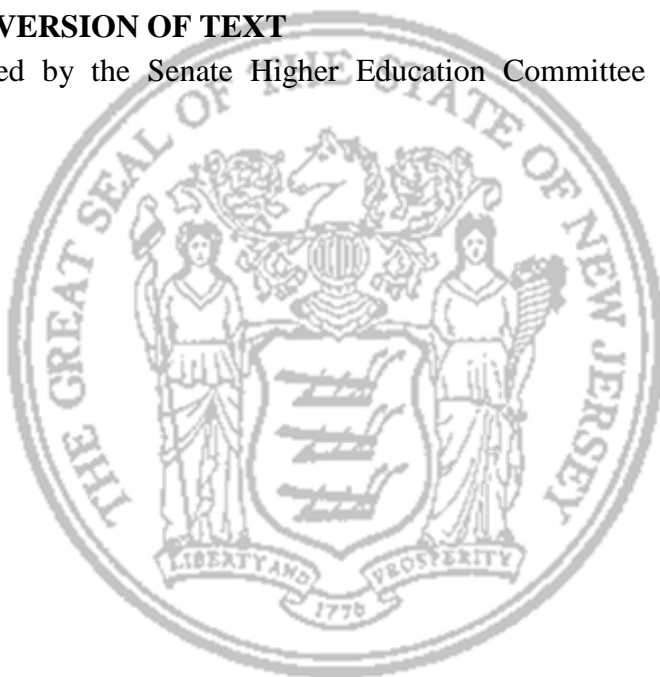
**Senators Gordon, Greenstein and Pou**

**SYNOPSIS**

Requires Higher Education Student Assistance Authority to obtain court order prior to using certain collection practices for defaulted loans under New Jersey College Loans to Assist State Students (NJCLASS) Loan Program.

**CURRENT VERSION OF TEXT**

As reported by the Senate Higher Education Committee with technical review.



1 AN ACT concerning the New Jersey College Loans to Assist State  
2 Students (NJCLASS) Loan Program and amending  
3 N.J.S.18A:71C-29.  
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*  
7

8 1. N.J.S.18A:71C-29 is amended to read as follows:  
9 18A:71C-29. a. Unless expressly limited to federal programs,  
10 the information exchange, wage withholding, collection procedures,  
11 repayment determinations, and other provisions set forth under  
12 article 1 of this part shall apply to the NJCLASS Loan Program.

13 b. Notwithstanding any provision of law to the contrary, in the  
14 case of any NJCLASS loan in default status, the authority shall  
15 obtain a court order prior to pursuing any of the following  
16 collection efforts: offsetting a State income tax refund or State  
17 lottery prize winnings; initiating wage garnishment; or suspending  
18 an occupational and professional license.

19 (cf: N.J.S.18A:71C-29)  
20

21 2. This act shall take effect immediately.

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.