

ASSEMBLY, No. 1897

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1996

By Assemblymen KAVANAUGH and MORAN

1 AN ACT suspending certain professional licenses for failure to repay
2 student loans and supplementing chapters 6 and 9 of Title 45 of the
3 Revised Statutes and P.L.1989, c.153 (C.45:9-41.17 et seq.).
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5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
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8 1. The State Board of Medical Examiners shall suspend, after a
9 hearing, the license to practice medicine and surgery of any person
10 who has been certified by a lending institution and reported to the
11 board for nonpayment or default of a State or federally guaranteed
12 educational loan. The person's license shall not be reissued until the
13 person provides the board a written release issued by the lending
14 institution stating that the person is making payments on the loan in
15 accordance with a repayment agreement approved by the lending
16 institution. If the person has continued to meet all other requirements
17 for licensure during the suspension, reinstatement shall be automatic
18 upon receipt of the notice and payment of any reinstatement fee the
19 board may impose.
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21 2. The State Board of Chiropractic Examiners shall suspend, after
22 a hearing, the license to practice chiropractic of any person who has
23 been certified by a lending institution and reported to the board for
24 nonpayment or default of a State or federally guaranteed educational
25 loan. The person's license shall not be reissued until the person
26 provides the board a written release issued by the lending institution
27 stating that the person is making payments on the loan in accordance
28 with a repayment agreement approved by the lending institution. If the
29 person has continued to meet all other requirements for licensure
30 during the suspension, reinstatement shall be automatic upon receipt
31 of the notice and payment of any reinstatement fee the board may
32 impose.
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34 3. The New Jersey State Board of Dentistry shall suspend, after a
35 hearing, the license to practice dentistry of any person who has been
36 certified by a lending institution and reported to the board for
37 nonpayment or default of a State or federally guaranteed educational

1 loan. The person's license shall not be reissued until the person
2 provides the board a written release issued by the lending institution
3 stating that the person is making payments on the loan in accordance
4 with a repayment agreement approved by the lending institution. If the
5 person has continued to meet all other requirements for licensure
6 during the suspension, reinstatement shall be automatic upon receipt
7 of the notice and payment of any reinstatement fee the board may
8 impose.

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10 4. This act shall take effect on the 60th day after enactment.

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STATEMENT

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15 This bill provides that a professional who is licensed as a physician,
16 chiropractor or dentist shall have that license suspended by the board
17 by which that professional is regulated when the board is notified by
18 a lending institution of nonpayment or default of a State or federally
19 guaranteed educational loan by that professional. The bill further
20 requires the borrower of that loan to establish an approved payment
21 plan before the license can be reinstated.

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26 Provides for suspension of certain professional licenses for failure to
27 repay student loans.