

18A: 72-23 to 18A: 72-25

LEGISLATIVE HISTORY CHECKLIST

NJSA: 18A:72-23 to 18A:72-25 (State employees--delinquent in student loan payments--allow garnishment of wages)

LAWS OF: 1982

CHAPTER 117

BILL NO: S1013

Sponsor(s): Codey

Date Introduced: February 25, 1982

Committee: Assembly: Higher Education and Regulated Professions

Senate: Education

Amended during passage: No

Date of Passage: Assembly: June 17, 1982

Senate: March 15, 1982

Date of Approval: August 20, 1982

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: *Yes* ~~No~~

Following were printed:

Reports: No

Hearings: No

See newspaper clipping--attached:

"N.J. cracks down on loan scofflaws," 4-1-86 Trenton Times.



SENATE, No. 1013

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 25, 1982

By Senators CODEY, STOCKMAN, LYNCH, FELDMAN, EWING,  
DALTON and DUMONT

Referred to Committee on Education

AN ACT concerning the collection of debts owed to the New Jersey  
Higher Education Assistance Authority.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. Whenever any officer or employee of the State of New Jersey  
2 has failed to make scheduled payments to the New Jersey Higher  
3 Education Assistance Authority on any note held by that authority  
4 pursuant to N. J. S. 18A:72-16, upon showing that such payments  
5 are more than 60 days overdue, the Department of the Treasury  
6 may deduct from the wages of said employee the full amount of  
7 both any arrears payment and any scheduled payment due to the  
8 Higher Education Assistance Authority until such time as the note  
9 is fully satisfied. The Department of the Treasury shall retain an  
10 amount not to exceed 1% of the moneys collected to defray the cost  
11 of the collection effort.

1 2. The Department of the Treasury shall promulgate regulations  
2 concerning the procedures and methods to be employed for the  
3 implementation of this act. The regulations shall be consistent with  
4 all federal requirements or limitations regarding any information  
5 utilized in any collection, and shall in addition provide for due  
6 notice to the employee an opportunity for a hearing upon request  
7 prior to any collection.

1 3. The lien against an employee's wages undertaken pursuant to  
2 this act shall not be considered an execution against wages pur-

3 suant to N. J. S. 2A:17-52, and shall not prevent the simultaneous  
4 satisfaction of such execution from the amount of wages remaining  
5 after the satisfaction of this debt.  
1 4. This act shall take effect immediately.

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#### STATEMENT

This bill provides that, whenever any State employee is delinquent in repaying his guaranteed student loan, the State Treasurer may deduct the payment, including any arrears, from the employee's wages.

The Department of Treasury would promulgate regulations for implementing this garnishment, regulations which must include prior notification to the employee and must provide the opportunity for a hearing if requested.

This lien will not affect the execution of any other court ordered judgment against any employee's wages.

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S1013(1982)

ASSEMBLY HIGHER EDUCATION AND REGULATED  
PROFESSIONS COMMITTEE

STATEMENT TO  
**SENATE, No. 1013**

**STATE OF NEW JERSEY**

DATED: MAY 20, 1982

The Assembly Higher Education and Regulated Professions Committee favorably reports Senate Bill No. 1013 and endorses the Senate Education Committee statement which reads as follows:

This bill provides that, whenever any State employee is delinquent in repaying his guaranteed student loan, the State Treasurer may deduct the payment, including any arrears, from the employee's wages.

The Department of Treasury is authorized to promulgate regulations for implementing this garnishment. The regulations must include prior notification to the employee and must provide the opportunity for a hearing if requested.

This lien will not affect the execution of any other court ordered judgment against any employee's wages.

SENATE EDUCATION COMMITTEE

STATEMENT TO

**SENATE, No. 1013**

**STATE OF NEW JERSEY**

DATED: MARCH 8, 1982

This bill provides that, whenever any State employee is delinquent in repaying his guaranteed student loan, the State Treasurer may deduct the payment, including any arrears, from the employee's wages.

The Department of Treasury is authorized to promulgate regulations for implementing this garnishment. The regulations must include prior notification to the employee and must provide the opportunity for a hearing if requested.

This lien will not affect the execution of any other court ordered judgment against any employee's wages.

OFFICE OF THE GOVERNOR

RELEASE: IMMEDIATE, AUGUST 24, 1982

CONTACT: KATHERINE BROKAW

Governor Thomas H. Kean has signed the following bills:

A-1758, sponsored by Assemblyman William Schuber (R-Bergen), converts the Forensic Psychiatry Section of Trenton Psychiatric Hospital to an independent State-wide forensic facility in order to ensure that the Psychiatric Hospital retains its accreditation. Loss of accreditation would cost the State an estimated total of \$13.2 million in federal funds over the next three years; the present legislation is designed to prevent the loss.

S-1013, sponsored by Senator Richard Codey (D-Essex), provides that if a State employee falls behind 60 days in repaying his guaranteed student loan to the State, the payment and any arrears may be deducted from the employee's wages.

Sponsored by Assemblyman Christopher Jackman (D-Hudson), A-813 deregulates commercial lines insurance by replacing the current system of prior approval rate-making with a file and use system. The Insurance Commissioner retains the right to review the rates for any deregulated commercial lines insurance. The bill results from a study of commercial insurance regulation done by an Advisory Committee which concluded that the current system of prior approval was time-consuming and unproductive.

A-1756, sponsored by Assemblyman George Otlowski (D-Middlesex), validates the bond proceedings of the Woodbridge Fire District.

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