

Chapter 15

Collection of Student Loans from Public Employees

53B-15-101 Definitions.

As used in this chapter:

- (1) "Disposable earnings" means the part of an employee's earnings remaining after the deduction of all amounts required by law to be withheld.
- (2) "Earnings" or "earnings from personal services" means compensation paid or payable for personal services, whether designated as wages, salary, commission, bonus, or otherwise, and includes periodic payments under a pension or retirement program.
- (3) "Public employee" means any employee, officer, or servant of the state of Utah, or any office, department, agency, authority, commission, board, institution, hospital, college, university, or other instrumentality of the state, or of any county, city, town, school district, special improvement or taxing district, or any other political subdivision or public corporation of or within the state.

Enacted by Chapter 167, 1987 General Session

53B-15-102 Collection of defaulted student loan from public employee.

If a National Direct Student Loan or a student loan made to a public employee under Title 53B, State System of Higher Education, is delinquent or in default, the state college, university, or board responsible for collection of the loan may proceed under this chapter to collect the loan.

Enacted by Chapter 167, 1987 General Session

53B-15-103 Proceedings -- Notice -- Inspection of records -- Repayment -- Hearing.

When a state college, university, or board determines that a public employee is indebted to the state for debts arising from a defaulted student loan, it may initiate proceedings to collect the debt through deductions from earnings by providing the public employee with the following:

- (1) a minimum of 30 days' written notice as provided in Section 53B-14-102;
- (2) an opportunity to inspect and copy college, university, or board records relating to the debt;
- (3) an opportunity to enter into a written agreement with the college, university, or board, under terms agreeable to the college, university, or board, to establish a schedule for the repayment of the debt; and
- (4) an opportunity for a hearing on the determination of the college, university, or board concerning the existence or the amount of the debt in accordance with Sections 53B-14-104 and 53B-14-105 and judicial review of an order of a hearing examiner under Sections 53B-14-107 and 53B-14-108.

Enacted by Chapter 167, 1987 General Session

53B-15-104 Lack of response.

If a written response or payment of delinquent installments is not received by the college, university, or board within 15 days from the date of receipt of the notice by the public employee, the college, university, or board may determine the balance due and proceed to collect the balance as provided in Section 53B-15-105.

Enacted by Chapter 167, 1987 General Session

53B-15-105 Filing of abstract of order of default -- Lien -- Deduction from wages.

An abstract of an order of a hearing examiner stating a default may be filed with the financial officer responsible for payment of the public employee's wages. When filed, the abstract constitutes a lien against 15% of the disposable earnings due, or to become due, to the public employee to the extent of the balance due plus interest. The financial officer shall deduct the amount subject to this lien from the public employee's disposable earnings, and remit the deducted amount to the college, university, or board, but no such amount shall be remitted to the college, university, or board until 20 days after the date of the hearing examiner's order.

Enacted by Chapter 167, 1987 General Session

53B-15-106 Personnel information.

Upon written request of the state college, university, or board, persons with access to personnel information regarding public employees shall disclose the mailing address of individuals who have defaulted under Section 53B-15-102 and who are current public employees for use by the college, university, or board in locating those individuals to collect student loan obligations.

Enacted by Chapter 167, 1987 General Session

53B-15-107 Reimbursed costs.

The public employer may obtain reimbursement for costs incurred in providing the information requested under Section 53B-15-106 through the state college, university, or board, which costs are the responsibility of and collectible from the public employee.

Enacted by Chapter 167, 1987 General Session