



General Assembly

January Session, 2001

Amendment

LCO No. 6346

Offered by:

SEN. GAFFEY, 13th Dist.

To: Subst. Senate Bill No. 1088

File No. 554

Cal. No. 368

"AN ACT CONCERNING THE CONNECTICUT STUDENT LOAN FOUNDATION."

1 Strike out section 6 in its entirety and renumber the remaining
2 sections accordingly.

3 Strike out lines 152 to 177, inclusive, in their entirety and insert the
4 following in lieu thereof:

5 (b) (1) In cases where any person or entity is due a refund of state
6 income taxes, and that same person is in default of a student loan
7 made or guaranteed by the Connecticut Student Loan Foundation, the
8 Connecticut Student Loan Foundation shall notify the Commissioner
9 of Administrative Services of such default. The Commissioner of
10 Revenue Services, upon notification by the Commissioner of
11 Administrative Services, shall withhold the payment of said refund to
12 such person to the extent of such default, provided the Commissioner
13 of Revenue Services shall notify such person in default that he or she
14 has the right to a hearing before an officer designated by the
15 Commissioner of Administrative Services if he or she contests the

16 validity or amount of the Commissioner of Administrative Services'
17 claim. If the person in default fails to apply in writing to the
18 Commissioner of Administrative Services for a hearing within sixty
19 days of the issuance of notice of withholding, the Commissioner of
20 Revenue Services shall remit the amount of the withheld refund to the
21 Commissioner of Administrative Services, who in turn shall remit the
22 amount of such withheld refund to the Connecticut Student Loan
23 Foundation. If the person in default elects an administrative hearing
24 within this time, the Commissioner of Revenue Services shall remit the
25 amount of the withheld refund in accordance with any decisions of the
26 hearing officer or the court upon an appeal of the hearing officer's
27 decision. If a person in default also owes a debt or obligation described
28 in subsection (a) of this section, the refund shall be applied against
29 such debt or obligation before being credited against the amount of the
30 default.

31 (2) The Commissioner of Revenue Services, the Commissioner of
32 Administrative Services and the president of the Connecticut Student
33 Loan Foundation, on behalf of such corporation, shall enter into an
34 agreement for the crediting of income tax refunds against the amount a
35 taxpayer is in default of a loan pursuant to subdivision (1) of this
36 subsection. The agreement shall include procedures for the
37 Connecticut Student Loan Foundation to (A) notify the Commissioner
38 of Administrative Services of a default, and the amount of the default,
39 and (B) reimburse the Department of Administrative Services and the
40 Department of Revenue Services for any costs incurred by the
41 departments in carrying out the provisions of this subsection."

42 In line 178, strike out "sections" and insert in lieu thereof "section"

43 In line 179, strike out "and 7"