

R681, Tax Liens to Collect Student Loans¹

R681-1 Purpose: To provide guidelines for the use of tax liens to collect student loans.²

R681-2 References

2.1 Utah Code § 53B-2-106, Duties and Responsibilities of the President

2.2 Utah Code Title 53B, Chapter 14, Collection of Student Loans

R681-3 Policy

3.1 Lien Against Tax Refunds: It is the policy of the Board of Higher Education that institutions of higher education should pursue the procedures authorized by law to impose a lien against tax refunds (*see* Utah Code Title 53B, Chapter 14) as a means for assisting in the collection of delinquent or defaulted national direct student loans, or loans made pursuant to Utah Code Title 53B, Chapters 11 or 12, in all cases in which, in the informed judgment of the responsible institutional collections officer, such procedures offer a reasonable probability of promoting the collection of amounts due thereon.

3.2 Guidelines: In pursuing the collection procedures authorized by law, as referred to in Section 1, and in discharging the procedural obligations of Utah Code section 53B-14-104 and 53B-14-105, the institutions of higher education shall observe the following guidelines:

3.2.1 Notices to borrowers shall be given by certified mail, or the equivalent, with a return receipt requested, in order to make a record of the date of receipt of the notice by the borrower.

3.2.2 Written responses from borrowers shall be logged in by the institution in a record kept for that purpose, and the date of actual receipt shall be marked upon the response.

3.2.3 A hearing examiner or examiners shall be appointed in writing by the institutional president, or by a vice president duly authorized to make the appointment, prior to the date of any hearing at which the person so appointed presides. Before the start of the hearing, the borrower shall be informed as to the identity of the assigned hearing examiner, and shall be given a reasonable opportunity to challenge the qualifications of, or to disqualify, the assigned hearing examiner for bias, prejudice, personal interest, or employment relationship

¹ Adopted March 16, 1982.

² Technical edits October 3, 2024.

to the office or department of the institution responsible for administering or collecting student loans. All challenges or other claims of disqualification of the assigned hearing officer shall be heard and disposed of by final ruling of an institutional officer other than the hearing officer being challenged.

3.2.4 If the hearing officer requests legal advice in ruling upon the admissibility of evidence or other legal issues that may arise during a hearing, the institution may arrange for such advice in consultation with the office of Attorney General; provided that legal counsel representing the institution and its student loan collection personnel in hearings under [Utah Code section 53B-14-105](#) shall not be eligible to and may not serve as legal advisor to the hearing examiner at any time during the proceedings.

3.3 Institutional Regulations: Institutions that elect to invoke the student loan collection procedures authorized by [Utah Code Title 53B, Chapter 14](#) shall adopt procedural regulations pursuant to [Utah Code section 53B-2-106](#), governing such loan collection activities, which shall be consistent with Sections 3.1 and 3.2, above. A copy of the procedural regulations so adopted shall be supplied, on a timely basis, to any borrower to requests a hearing under [Utah Code Title 53B, Chapter 14](#).