



Prohibition on Transcript Withholding

- I. **Definitions.** For purposes of this title, the following terms shall have the following meanings:
 - A. "School" means any public or private postsecondary school, or any public or private entity, responsible for providing transcripts to current or former students of a school.
 - B. "Debt" means any money, obligation, claim, or sum, due or owing, or alleged to be due or owing, from a student, but does not include the fee, if any, charged to all students for the actual costs of providing the transcripts.
 - C. "Default," for purposes of this section, means the failure of a borrower to make an installment payment when due, or to meet other terms of the promissory note under circumstances where the loan holder or guarantee agency finds it reasonable to conclude that the borrower no longer intends to honor the obligation to repay, provided that this failure persists for 180 days for a loan repayable in monthly installments, or 240 days for a loan repayable in less frequent installments.
- II. **Prohibitions.** Notwithstanding any provision of law, a school shall not do any of the following:
 - A. Refuse to provide a transcript for a current or former student on the grounds that the student owes a debt.
 - B. Condition the provision of a transcript on the payment of a debt, other than a fee charged to provide the transcript.
 - C. Charge a higher fee for obtaining a transcript or provide less favorable treatment of a transcript request because a student owes a debt.
 - D. Use transcript issuance as a tool for debt collection.
 - E. Withhold institutional services from students or former students who have been notified in writing at the student's or former student's last known address that they are in default on a loan or loans under the Federal Perkins Loan Program, William D. Ford Direct Loan Program, or Federal Family Education Loan Program. The services to be withheld from the student and may include, but are not limited to, the following:



- i. The provision of grades
- ii. The provision of diplomas
- iii. Registration privileges
- iv. Transcripts

F. A violation of and provision of this act is a violation of the State Unfair and Deceptive Acts and Practices Law.

III. **Promulgation.** The State Higher Education Department shall adopt such regulations as it deems appropriate to effect the purposes of this Act.