

2SHB 2513 - S COMM AMD
By Committee on Ways & Means

ADOPTED 03/06/2020

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 28B.10.293 and 1977 ex.s. c 18 s 1 are each amended
4 to read as follows:

5 (~~Each state public or private~~) (1) Institutions of higher
6 education may, in the control and collection of any debt or claim due
7 owing to it, impose reasonable financing and late charges, as well as
8 reasonable costs and expenses incurred in the collection of such
9 debts, if provided for in the note or agreement signed by the debtor.

10 (2) Institutions of higher education may not do any of the
11 following for the purposes of debt collection, unless the debts are
12 related to nonpayment of tuition fees, room and board fees, or
13 financial aid funds owed:

14 (a) Refuse to provide an official transcript for a current or
15 former student on the grounds that the student owes a debt;

16 (b) Condition the provision of an official transcript on the
17 payment of the debt, other than a fee charged to provide the official
18 transcript;

19 (c) Charge a higher fee for obtaining the official transcript, or
20 provide less than favorable treatment of an official transcript
21 request because a student owes a debt; or

22 (d) Use transcript issuance as a tool for debt collection.

23 (3) Institutions of higher education may not withhold a student's
24 official transcript, regardless of debt, except the fee charged to
25 provide an official transcript, if the official transcript is
26 requested by a student or entity for any of the following purposes:

27 (a) Job applications;

28 (b) Transferring to another institution;

29 (c) Applying for financial aid;

30 (d) Pursuit of opportunities in the military or national guard;

31 or

1 (e) Pursuit of other postsecondary opportunities.

2 (4) Institutions of higher education may not withhold
3 registration privileges as a debt collection tool, excluding the case
4 of any debts related to nonpayment of tuition fees, room and board
5 fees, or financial aid funds owed.

6 (5) If an institution of higher education chooses to withhold
7 official transcripts or registration privileges as a tool for debt
8 collection, the institution shall disclose to students through a
9 secure portal or email and the class registration process the
10 following at the start of each academic term:

11 (a) The amount of debt, if any, owed by the student to the
12 institution;

13 (b) Information on payment of the debt, including who to contact
14 to set up a payment plan; and

15 (c) Any consequences that will result from the nonpayment of the
16 debt.

17 (6) For the purposes of this section:

18 (a) "Debt" means any money, obligation, claim, or sum, due or
19 owing, or alleged to be due or owing, from a student.

20 (b) "Financial aid funds owed" means any financial aid funds owed
21 to the institution under Title IV, or to the state, due to
22 miscalculation, withdrawal, misinformation, or other reason, not
23 including standard repayment of student loans.

24 (c) "Institutions of higher education" means the same as in RCW
25 28B.92.030.

26 (d) "Room and board fees" means any money, obligation, claim, or
27 sum, due or owing, or alleged to be due or owing, from a student for
28 the provision of contractually agreed to on-campus housing or meal
29 services plans.

30 (e) "Tuition fees" means tuition fees as defined in RCW
31 28B.15.020, services and activities fees as defined in RCW
32 28B.15.041, technology fees as defined in RCW 28B.15.051, and fees
33 charged for nonstate funded, fee-based, self-supporting degree,
34 certificate, or continuing education courses, or similar charges for
35 nonpublic institutions.

36 NEW SECTION. Sec. 2. A new section is added to chapter 28B.10
37 RCW to read as follows:

38 Institutions of higher education shall report to the governor and
39 the higher education committees of the legislature in accordance with

1 RCW 43.01.036 annually beginning on December 1, 2020, on transcript
2 and registration holds used as debt collection tools, including:
3 (1) Each institution's policy on when transcript and registration
4 holds are used, including the time frames and amounts for which holds
5 are to be used and the lowest amount for which an institution assigns
6 a debt to a third-party collection agency;
7 (2) The number of official transcripts and registration
8 privileges being withheld by each institution; and
9 (3) The number of past-due accounts assigned to third-party
10 collection agencies."

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11 On page 1, line 3 of the title, after "practices;" strike the
12 remainder of the title and insert "amending RCW 28B.10.293; and
13 adding a new section to chapter 28B.10 RCW."

EFFECT: (1) Allows institutions of higher education to charge a fee for a transcript, even when the transcript must be released.

(2) Adds pursuit of military, national guard, or other postsecondary opportunities to the circumstances under which an institution of higher education must release an official transcript; regardless of debt.

(3) Adds a new section with required reporting by the public institutions of higher education on use of transcript and registration holds, debt levels, and debt collection practices.

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