# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## College & Workforce Development Committee

### **HB 2513**

**Brief Description**: Prohibiting the practice of transcript withholding and limiting the practice of registration holds at institutions of higher education as debt collection practices.

**Sponsors**: Representatives Slatter, Leavitt, Ortiz-Self, Valdez, Bergquist, Davis, J. Johnson, Pollet, Goodman, Lekanoff, Ormsby and Riccelli; by request of Lieutenant Governor.

#### **Brief Summary of Bill**

- Prohibits institutions of higher education from withholding a student's official transcripts as a tool for debt collection.
- Limits the practice of registration holds at institutions of higher education as a tool for debt collection.

Hearing Date: 1/22/20

Staff: Elizabeth Allison (786-7129).

#### **Background:**

Institutions of higher education may impose reasonable financing and late charges, as well as reasonable costs and expenses incurred in the collection of debts owed to the institution, if provided for in the note or agreement signed by the debtor.

A transcript hold stops a student from getting a copy of their transcript. A registration hold stops students from registering for classes.

All public four-year institutions and most community and technical colleges impose a hold on students' transcripts, or refuse to release the transcripts, if the student owes outstanding fees or charges to the institutions. Almost all four-year institutions impose a registration hold for outstanding fees or charges.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

#### **Summary of Bill:**

Institutions of higher education may not do any of the following for the purposes of debt collection:

- refuse to provide an official transcript for a former or current student;
- charge a higher fee for the transcript;
- condition the release of the transcript on the payment of debt, other than a fee charged to pay for the transcript; or
- use transcript issuance as a tool for debt collection.

"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 or the cost of tuition.

Institutions of higher education may not withhold registration privileges from students as a tool for debt collection. For registration holds, debt does not include services and activities fees, technology fees, or tuition fees.

Appropriation: None.

Fiscal Note: Requested on January 14, 2020.

**Effective Date**: The bill takes effect 90 days after adjournment of the session in which the bill is passed.