SUBSTITUTE HOUSE BILL 2513

State of Washington 66th Legislature 2020 Regular Session

By House College & Workforce Development (originally sponsored by Representatives Slatter, Leavitt, Ortiz-Self, Valdez, Bergquist, Davis, J. Johnson, Pollet, Goodman, Lekanoff, Ormsby, and Riccelli; by request of Lieutenant Governor)

READ FIRST TIME 02/07/20.

- AN ACT Relating to prohibiting the practice of transcript withholding and limiting the practice of registration holds at institutions of higher education as debt collection practices; and amending RCW 28B.10.293.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 28B.10.293 and 1977 ex.s. c 18 s 1 are each amended 7 to read as follows:
 - ((Each state public or private)) (1) Institutions of higher education may, in the control and collection of any debt or claim due owing to it, impose reasonable financing and late charges, as well as reasonable costs and expenses incurred in the collection of such debts, if provided for in the note or agreement signed by the debtor.
- (2) Institutions of higher education may only withhold a student's official transcript for the purpose of collecting debts relating to the nonpayment of tuition fees or fees charged to provide the official transcript.
- 17 (3) An institution may not withhold a student's official
 18 transcript, regardless of debt, if the official transcript is
 19 requested by a student or entity for any of the following purposes:
- 20 (a) Job applications;

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21 (b) Transferring to another institution; or

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- 1 (c) Applying for financial aid.
- 2 (4) An institution of higher education must release a student's 3 official transcript if the institution assigns the student's unpaid 4 debt to a collection agency, regardless of the type of debt.
- 5 (5) Institutions of higher education may not withhold 6 registration privileges as a debt collection tool, excluding the case 7 of any debts related to the following:
 - (a) Unpaid tuition fees;

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- 9 (b) Unpaid room and board fees, meaning any money, obligation,
 10 claim, or sum, due or owing, or alleged to be due or owing, from a
 11 student for the provision of contractually agreed to on-campus
 12 housing or meal services plans; or
- 13 (c) Any financial aid funds owed to the institution under Title
 14 IV, or to the state, due to miscalculation, withdrawal,
 15 misinformation, or other reason, not including standard repayment of
 16 student loans.
 - (6) For the purposes of this section:
- 18 <u>(a) "Debt" means any money, obligation, claim, or sum, due or</u> 19 <u>owing, or alleged to be due or owing, from a student.</u>
- 20 <u>(b) "Institutions of higher education" means the same as in RCW</u>
 21 28B.92.030.
- (c) "Tuition fees" means tuition fees as defined in RCW 28B.15.020, services and activities fees as defined in RCW 28B.15.041, technology fees as defined in RCW 28B.15.051, and fees charged for nonstate funded, fee-based, self-supporting degree,
- 26 <u>certificate</u>, <u>or continuing education courses</u>.

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