

CERTIFICATION OF ENROLLMENT
SECOND SUBSTITUTE HOUSE BILL 2513

Chapter 281, Laws of 2020

66th Legislature
2020 Regular Session

HIGHER EDUCATION DEBT COLLECTION--TRANSCRIPT AND REGISTRATION HOLDS

EFFECTIVE DATE: June 11, 2020

Passed by the House March 10, 2020
Yeas 59 Nays 38

LAURIE JINKINS

**Speaker of the House of
Representatives**

Passed by the Senate March 6, 2020
Yeas 36 Nays 13

CYRUS HABIB

President of the Senate

Approved April 2, 2020 2:28 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 2513** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

April 3, 2020

**Secretary of State
State of Washington**

SECOND SUBSTITUTE HOUSE BILL 2513

AS AMENDED BY THE SENATE

Passed Legislature - 2020 Regular Session

State of Washington

66th Legislature

2020 Regular Session

By House Appropriations (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 02/11/20.

1 AN ACT Relating to prohibiting the practice of transcript
2 withholding and limiting the practice of registration holds at
3 institutions of higher education as debt collection practices;
4 amending RCW 28B.10.293; and adding a new section to chapter 28B.10
5 RCW.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 **Sec. 1.** RCW 28B.10.293 and 1977 ex.s. c 18 s 1 are each amended
8 to read as follows:

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

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

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

1 (b) Condition the provision of an official transcript on the
2 payment of the debt, other than a fee charged to provide the official
3 transcript;

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

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

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

12 (a) Job applications;

13 (b) Transferring to another institution;

14 (c) Applying for financial aid;

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

16 or

17 (e) Pursuit of other postsecondary opportunities.

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

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

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

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

31 (c) Any consequences that will result from the nonpayment of the
32 debt.

33 (6) For the purposes of this section:

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

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

1 (c) "Institutions of higher education" means the same as in RCW
2 28B.92.030.

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

7 (e) "Tuition fees" means tuition fees as defined in RCW
8 28B.15.020, services and activities fees as defined in RCW
9 28B.15.041, technology fees as defined in RCW 28B.15.051, and fees
10 charged for nonstate funded, fee-based, self-supporting degree,
11 certificate, or continuing education courses, or similar charges for
12 nonpublic institutions.

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

15 Institutions of higher education shall report to the governor and
16 the higher education committees of the legislature in accordance with
17 RCW 43.01.036 annually beginning on December 1, 2020, on transcript
18 and registration holds used as debt collection tools, including:

19 (1) Each institution's policy on when transcript and registration
20 holds are used, including the time frames and amounts for which holds
21 are to be used and the lowest amount for which an institution assigns
22 a debt to a third-party collection agency;

23 (2) The number of official transcripts and registration
24 privileges being withheld by each institution; and

25 (3) The number of past-due accounts assigned to third-party
26 collection agencies.

Passed by the House March 10, 2020.

Passed by the Senate March 6, 2020.

Approved by the Governor April 2, 2020.

Filed in Office of Secretary of State April 3, 2020.

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