



# **SSHB 2513**

Transcript Withholding and Limiting the Practice of Registration Holds as Debt Collection Practices

**December 1, 2024** 

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## Overview of SSHB 2513

Second Substitute House Bill 2513, effective June 11, 2020, prohibits higher education institutions from withholding a student's official transcript as a debt-collection tool when the transcript is requested to apply for a job, transfer to another institution, pursue another postsecondary opportunity, apply for financial aid, or to pursue service in the military or National Guard.

Higher education institutions may continue to withhold a student's official transcript—or deny class registration—due to unpaid tuition or room and board, unpaid transcript processing fees, or because the student needs to pay back the higher education institution for financial aid due to withdrawal from school, a miscalculation, or another reason.

Institutions that choose to withhold official transcripts or registration privileges as a tool for debt collection must notify students through a secure portal or email. If registration privileges are also withheld, the institution must also notify the student through the class registration process. Notifications must include the following information:

- The specific debts owed, including the amount of debt;
- Instructions for setting up a payment plan; and
- The consequences of nonpayment.

To ensure uniformity, the Washington community and technical college system adopted a systemwide policy that applied to all 34 colleges, aligning with the requirements of SSHB 2513. This report summarizes the key provisions of the policy.

A standardized data reporting process has been developed to meet the reporting requirements of SSHB 2513 for all 34 colleges.

This is the fifth annual report due to the Legislature's higher education committees and Governor's Office provided every December.

# Community and Technical College System Policy for Complying with SSHB 2513

The community and technical college system's policy for complying with SSHB 2513 was led by the State Board for Community and Technical Colleges (SBCTC) in consultation with the Washington Office of the Attorney General and representatives from college registration and business offices. This systemwide policy allows all colleges to meet legislative requirements, eliminate the possibility of varied college processes, and to serve students enrolled in one or more colleges.

## **Student transcripts**

Given the number of provisions in SSHB 2513 regarding the mandatory release of student transcripts, the systemwide policy is for colleges to release official transcripts upon request, regardless of the type of debt that is owed. No transcripts will be held for debt collection in the community and technical college system. This also applies to other entities that are requesting transcripts at the student's request.

# **Class registration**

The systemwide policy allows colleges to withhold registration privileges for students with unpaid debt including, but not limited to, failure to pay tuition and fees and room and board, and/or financial aid that is owed back to the institution because the student withdrew from school, there was a miscalculation of aid, or another reason.

Registration holds are fluid and are removed once a student pays the debt owed, allowing the student to register for future classes. The table on page 5 represents active registration holds for the 2023-2024 academic year.

### Lowest debt amount sent to collections

Under the systemwide policy, colleges may only send overdue accounts to a collection agency if the amount owed is \$100 or more. Individual colleges may, however, set a higher threshold. Five colleges have chosen to do so.

# **Data requirements**

The policy requires each college's registration office to keep college-level data on the number of students denied registration privileges for future classes for debt to the college.

Each college's business office files quarterly information with SBCTC on the following:

- The number of student accounts referred to outside collection agency(ies).
- The lowest amount owed that is sent to a collection agency(ies).

With the migration of all 34 colleges to ctcLink, college data is more readily available to collect and track at a system level. Reports for the total number of active registration holds and accounts sent to collections for each college can be pulled by SBCTC data services.

# **State Board policy manual additions**

To comply with data requirements of SSHB 2513, two sections were added to the State Board for Community and Technical College's policy manual in December 2021 as approved by the Board.

#### Chapter 5.30.35 Withholding student registration

An institution may withhold registration privileges for students with unpaid debt, including but not limited to, failure to pay tuition and fees, room and board, and/or financial aid. (See RCW 28B.10.293 and Guidance for SSHB 2513 Implementation).

#### Chapter 5.30.45 Release of student transcript

Institutions of higher education may not withhold a student's official transcript, regardless of debt, except the fee charged to provide an official transcript, if the official transcript is requested by a student or entity for purposes, including but not limited to, job applications, transferring to another institution, applying for financial aid, pursuit of opportunities in the military or national guard, or pursuit of other postsecondary opportunities. (See <a href="RCW 28B.10.293">RCW 28B.10.293</a> and <a href="Guidance for SSHB 2513">Guidance for SSHB 2513</a> <a href="Implementation">Implementation</a>).

# Recommended quarterly timeline for colleges

All communication about holds and/or debt to the college must go through email or a secure portal. Letters can still be mailed to students in addition to the email or secure portal notifications. The following quarterly timeline meets standard payment policies and payment due regulations for registration holds.

Week 0 – Payment due for quarter commencing first day of week 1.

Week 1 - Registrar generates class rosters.

Week 3 – Census cutoff. Enrolled students without payment or a payment plan are presumably dropped for non-payment. Students are given a 14-day grace period before receiving the first notice of outstanding debt.

Week 5 – Business office generates list of unpaid accounts after the deadline for students to drop classes and earn a partial refund. The college registrar then reviews the list for those with pending third-party payments and/or awaiting financial aid. After the registrar cleans the list, the business office sends the first notice letters to unpaid account holders.

Week 8 – Business office generates a list of unpaid accounts and the college registrar reviews the list. After the registrar confirms students on the list are still enrolled, the business office sends second notice letters to unpaid account holders.

Week 12 – End of quarter. Business office generates final notice email/letter and sends it directly to enrolled students. The list of enrolled students with outstanding balances is sent to the college registrar for final review before accounts are assigned to a collection agency.

Thirty days after week 12 – Business office sends all unpaid accounts to collections.

Registration holds are fluid and are removed once a student pays the debt owed, allowing the student to register for future courses.

# Active registration holds: 2023-24 academic year

The following table shows the number of students, per quarter, whose registration holds were still active as of August 1, 2024.

College	Fall Quarter 2023	Winter Quarter 2024	Spring Quarter 2024**
Bates Technical College	3	64	4
Bellevue College	142	173	370
Bellingham Technical College	15	21	30
Big Bend Community College	27	22	82
Cascadia College	113	1	1831
Centralia College	46	69	252
Clark College	393	378	556
Clover Park Technical College	287	61	280

Fall Quarter 2023 264 214 44 95 191 68	Winter Quarter 2024 211 162 82 235 268	Spring Quarter 2024**  375  372  312  127
214 44 95 191 68	162 82 235	372 312
44 95 191 68	82 235	312
95 191 68	235	_
191 68		127
68	268	1
		1491
	243	162
93	105	254
55	11	102
231	181	330
206	183	1801
48	32	157
307	1010	1142
141	212	782
366	483	626
105	119	308
107	113	886
79	30	160
287	260	345
506	51	314
333	49	457
210	545	502
45	47	99
60	191	75
66	83	161
368	274	715
	206 48 307 141 366 105 107 79 287 506 333 210 45 60	206       183         48       32         307       1010         141       212         366       483         105       119         107       113         79       30         287       260         506       51         333       49         210       545         45       47         60       191         66       83

<sup>\*</sup>Hold includes registration for both summer 2024 and fall 2024, as registration typically occurs simultaneousl

SBCTC, Data Services 11/04/2024

# Accounts sent to collection agencies: 2023-24 academic year

The following table indicates the number of student accounts sent to collections for the 2023-24 academic year.

College	Lowest Amount Sent to Collection Agency	Fall 2023	Winter 2024	Spring 2024	Summer 2024
Bates Technical College	\$100	0	0	0	0
Bellevue College	\$100	53	93	79	79
Bellingham Technical College	\$100	0	0	0	0
Big Bend Community College	\$100	20	8	27	14
Cascadia College	\$100	0	0	0	0
Centralia College	\$100	0	0	0	0
Clark College	\$100	0	0	0	0
Clover Park Technical College	\$100	1	0	168	0
Columbia Basin College	\$100	0	0	0	0
Edmonds College	\$100	49	45	1	0
Everett Community College	\$100	31	70	49	148
Grays Harbor College	\$100	0	0	0	0
Green River College	\$100	10	32	28	28
Highline College	\$150	0	0	0	0
Lake Washington Institute of Technology	\$100	0	0	0	0
Lower Columbia College	\$100	19	55	4	0
North Seattle College	\$100	0	0	0	0
Olympic College	\$100	0	1	0	0
Peninsula College	\$100	0	0	0	0
Pierce College District	\$150	109	67	282	301
Renton Technical College	\$200	0	0	0	0
Seattle Central College	\$100	0	0	0	0
Shoreline Community College	\$100	0	0	0	0
Skagit Valley College	\$100	0	0	0	0
South Puget Sound Community College	\$100	0	0	0	0
South Seattle College	\$100	0	0	0	0
Spokane Community College	\$300	0	0	0	0
Spokane Falls Community College	\$300	0	0	3	5
Tacoma Community College	\$100	0	368	0	231
Walla Walla Community College	\$100	0	0	0	0
Wenatchee Valley College	\$100	0	153	4	2
Whatcom Community College	\$100	0	0	0	0
Yakima Valley College	\$100	137	33	5	0
				SBCTC, Data S	ervices, 11/04/24

# Conclusion

Washington's 34 community and technical colleges have worked together to establish a statewide infrastructure to effectively implement SSHB 2513 as codified in RCW 28B.10.293 and RCW 28B.10.294.

Given the provisions in SSHB 2513 regarding the mandatory release of student transcripts, the systemwide policy is for colleges to release official transcripts upon request, regardless of the type of debt that is owed. Under the systemwide policy, colleges may only send overdue accounts to a collection agency if the amount owed is \$100 or more, though some colleges have adopted a higher threshold.

Through adherence to SSHB 2513 and other policies and practices to mitigate enrollment and completion barriers, community and technical colleges in Washington continue to seek practices to increase opportunities for successful credential completion.

### **Contact**

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