



SSHB 2513

TRANSCRIPT WITHHOLDING AND LIMITING THE PRACTICE OF REGISTRATION HOLDS AS DEBT COLLECTION PRACTICES

December 1, 2021

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Overview of SSHB 2513

Second Substitute House Bill 2513, which took effect 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.

Under SSHB 2513, 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.

Higher education institutions that choose to withhold official transcripts or registration privileges as a tool for debt collection must let students know the following information through a secure portal or e-mail. If registration privileges are also withheld, the institution must also notify the student through the class-registration process.

- any debts owed by the student to the institution including the amount of debt;
- information on setting up a payment plan; and
- any consequences that will result from the nonpayment of the debt

The Washington community and technical college system has developed a system-wide policy for all 34 colleges in order to meet the requirements of SSHB 2513. This report summarizes the key provisions of the policy.

This is the second of an annual report due to the Legislature's higher education committees and Governor's Office every December under SSHB 2513.

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 system-wide 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 system-wide 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 system-wide 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 6 represents active registration holds for the 2020-2021 academic year.

Lowest debt amount sent to collections

Under the system-wide 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)

As a result, two new sections have been added to the State Board for Community and Technical Colleges' policy manual as approved by the Board.

State Board policy manual additions

Chapter 5.40.35 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).

Chapter 5.40.45 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 [RCW 28B.10.293](#)).

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. The by-college spreadsheet on page 5 represents active registration holds as of August 1, 2021.

Number of student active course registration holds placed on students

The following table indicates the number of students with active course registration holds per quarter.

Active Registration Holds Placed on Students: 2020-21 Academic Year

College	Fall Quarter 2020	Winter Quarter 2021	Spring Quarter 2021**
Bates Technical College	13	15	20
Bellevue College	95	204	220
Bellingham Technical College	14	14	7
Big Bend Community College	0	0	12
Cascadia College	0	0	0
Centralia College	64	2	130
Clark College	0	0	0
Clover Park Technical College	39	49	115
Columbia Basin College	31	13	157
Edmonds College	80	116	130
Everett Community College*	0	0	0
Grays Harbor College	0	0	0
Green River College	0	0	0
Highline College	75	70	86
Lake Washington Institute of Technology	92	101	105
Lower Columbia College	18	117	52
North Seattle College	198	164	125
Olympic College*	0	0	0
Peninsula College*	0	0	0
Pierce College District	58	58	98
Renton Technical College	7	32	27
Seattle Central College	117	41	139
Shoreline Community College	127	114	134
Skagit Valley College	4	2	6
South Puget Sound Community College	85	48	50
South Seattle College	44	47	97
Spokane Community College	251	192	188
Spokane Falls Community College	228	164	181
Tacoma Community College	104	109	134
Walla Walla Community College	57	78	108
Wenatchee Valley College	45	172	162
Whatcom Community College	0	0	0
Yakima Valley College*	52	43	69

*Federal Higher Education Emergency Relief Fund (HEERF) used to pay off student debt

**Hold may be for both Summer and/or Fall 2021

SBCTC, Student Services 11/8/2021

Number of student accounts sent to collection agency

The following table indicates the number of students sent to collections with accounts owed for the 2020-21 academic year.

Number of Past Due Account Sent to Collections by Quarter Assigned

College	Lowest Amount Sent to Collection Agency	Number of New Past Due Accounts Assigned to Collections Fall 2020	Number of New Past Due Accounts Assigned to Collections Winter 2021	Number of New Past Due Accounts Assigned to Collections Spring 2021
Bates Technical College	\$100	0	0	0
Bellevue College	\$100	40	23	0
Bellingham Technical College	\$100	10	9	2
Big Bend Community College	\$100	19	1	4
Cascadia College	\$100	0	0	0
Centralia College	\$100	0	0	0
Clark College	\$100	3	2	6
Clover Park Technical College	\$100	0	0	0
Columbia Basin College	\$100	0	0	0
Edmonds College	\$100	16	24	2
Everett Community College	\$100	0	0	0
Grays Harbor College	\$100	0	0	0
Green River College	\$100	95	74	0
Highline College	\$150	0	0	0
Lake Washington Institute of Technology	\$100	0	0	0
Lower Columbia College	\$100	0	0	0
North Seattle College	\$100	4	0	0
Olympic College	\$100	0	0	0
Peninsula College	\$100	0	0	0
Pierce College District	\$150	200	87	3
Renton Technical College	\$200	46	0	34
Seattle Central College	\$100	6	0	0
Shoreline Community College	\$100	85	71	120
Skagit Valley College	\$100	26	23	26
South Puget Sound Community College	\$100	0	0	0
South Seattle College	\$100	1	0	0
Spokane Community College	\$300	0	0	0
Spokane Falls Community College	\$300	0	0	0
Tacoma Community College	\$100	0	0	0
Walla Walla Community College	\$100	0	0	0
Wenatchee Valley College	\$100	0	0	0
Whatcom Community College	\$100	0	0	0
Yakima Valley College	\$100	0	0	0

SBCTC, Finance Division, 17-Nov-21

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.

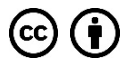
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