HB1049_L.006

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Education.

HB22-1049 be amended as follows:

Amend printed bill, strike everything below the enacting clause and substitute:

"SECTION 1. In Colorado Revised Statutes, add 23-5-113.5 as follows:

23-5-113.5. Prohibition on withholding transcripts and diplomas - postsecondary institution - remedy - definitions. (1) As used in this section, unless the context otherwise requires:

(a) "Debt" means any money, obligation, claim, or sum, due or owing, or alleged to be due or owing, from a current or former student, but does not include a fee charged to a current or former student for the actual cost of providing a transcript or diploma.

(b) "Financial aid funds" means financial aid funds that a current or former student owes to a postsecondary institution under Title IV, or to the state, due to miscalculation, withdrawal, misinformation, or any other reason, not including the standard repayment of student loans.

(c) "Postsecondary institution" means a public institution of higher education, as defined in section 23-4.5-102 (7); a private institution of higher education, as defined in section 23-18-102 (9); or a private occupational school, as defined in section 23-2-102 (13).

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

(e) "Student loan borrower" has the same meaning as set forth in section 5-20-103 (7).

(f) "Student loan ombudsperson" means the student loan ombudsperson designated in section 5-20-104.

(2) Notwithstanding any provision of law to the contrary, with regard to a current or former student who owes a debt, a postsecondary institution shall not:

(a) Refuse to provide a transcript or diploma for the current or former student on the grounds that the student owes a debt;

(b) Condition the provision of a transcript or diploma on payment of a debt;

(c) Charge a higher fee to obtain a transcript or diploma or provide less favorable treatment in response to a transcript.
OR DIPLOMA REQUEST BECAUSE THE REQUESTING CURRENT OR FORMER STUDENT OWES A DEBT; OR
(d) OTHERWISE USE TRANSCRIPT OR DIPLOMA ISSUANCE AS A TOOL FOR DEBT COLLECTION.

(3) (a) NOTWITHSTANDING THE PROHIBITION STATED IN SUBSECTION (2)(a) OF THIS SECTION, A POSTSECONDARY INSTITUTION MAY REFUSE TO PROVIDE A TRANSCRIPT OR DIPLOMA FOR A CURRENT OR FORMER STUDENT ON THE GROUNDS THAT THE STUDENT OWES A DEBT FOR TUITION, ROOM AND BOARD FEES, OR FINANCIAL AID FUNDS, UNLESS THE STUDENT IS REQUESTING THE TRANSCRIPT OR DIPLOMA FOR ONE OF THE FOLLOWING PURPOSES:
(I) A JOB APPLICATION;
(II) TRANSFERRING TO ANOTHER POSTSECONDARY INSTITUTION;
(III) APPLYING FOR STATE, FEDERAL, OR INSTITUTIONAL FINANCIAL AID;
(IV) PURSUIT OF OPPORTUNITIES IN THE MILITARY OR NATIONAL GUARD; OR
(V) PURSUIT OF OTHER POSTSECONDARY OPPORTUNITIES.

(b) (I) EACH POSTSECONDARY INSTITUTION SHALL ADOPT A POLICY THAT OUTLINES THE PROCESS BY WHICH A STUDENT MAY OBTAIN A TRANSCRIPT OR DIPLOMA AND THE CIRCUMSTANCES UNDER WHICH A CURRENT OR FORMER STUDENT’S TRANSCRIPT OR DIPLOMA MAY BE WITHHELD PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION. AT A MINIMUM, THE POLICY MUST INCLUDE:
(A) THE ABILITY FOR THE STUDENT TO APPLY FOR A FINANCIAL HARDSHIP WAIVER TO OBTAIN A TRANSCRIPT OR DIPLOMA;
(B) AN EXCEPTION TO WITHHOLDING THE TRANSCRIPT OR DIPLOMA FOR A STUDENT WHO DEMONSTRATES THE TRANSCRIPT OR DIPLOMA IS REQUESTED FOR A PURPOSE SPECIFIED IN SUBSECTION (3)(a) OF THIS SECTION;
(C) AN OPPORTUNITY TO ESTABLISH A PAYMENT PLAN FOR THE DEBT;
(D) IDENTIFICATION OF THE POINT AT WHICH A STUDENT WILL NO LONGER BE ABLE TO REGISTER FOR CLASSES DUE TO THE DEBT OWED; AND
(E) IDENTIFICATION OF THE POINT AT WHICH A STUDENT MAY BE SUBJECT TO A TRANSCRIPT, DIPLOMA, OR REGISTRATION HOLD, INCLUDING THE TIME FRAMES AND AMOUNTS FOR WHICH THE HOLDS ARE TO BE USED AND THE LOWEST AMOUNT OF DEBT AT WHICH THE INSTITUTION WILL ASSIGN THE DEBT TO A THIRD-PARTY COLLECTION AGENCY.

(II) THE POSTSECONDARY INSTITUTION SHALL POST THE POLICY DESCRIBED IN SUBSECTION (3)(b)(I) OF THIS SECTION AND THE PROCEDURES FOR FILING A COMPLAINT WITH THE STUDENT LOAN OMBUDSPERSON ON THE POSTSECONDARY INSTITUTION’S WEBSITE AND
PROVIDE THE POLICY AND THE PROCEDURES TO STUDENTS AS PART OF THE INFORMATION SHARED RELATING TO THE COST OF ATTENDANCE THAT INCLUDES ANY ADDITIONAL FEES, FINANCIAL AID, SCHOLARSHIPS, OR OTHER INFORMATION.

(4) (a) BEGINNING JULY 1, 2024, EACH POSTSECONDARY INSTITUTION SHALL ANNUALLY REPORT TO THE DEPARTMENT OF HIGHER EDUCATION CONCERNING TRANSCRIPT AND REGISTRATION HOLDS, INCLUDING:

(I) THE POSTSECONDARY INSTITUTION’S POLICY DEVELOPED PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION;

(II) THE NUMBER OF STUDENTS FOR WHOM THE POSTSECONDARY INSTITUTION IS WITHHOLDING OFFICIAL TRANSCRIPTS, DIPLOMAS, AND REGISTRATION PRIVILEGES; AND

(III) THE NUMBER OF PAST-DUE STUDENT ACCOUNTS ASSIGNED TO THIRD-PARTY COLLECTION AGENCIES, INCLUDING THE NUMBER OF STUDENTS WHO ARE ELIGIBLE FOR FEDERAL PELL GRANTS.

(b) BEGINNING JANUARY 2025, AND EACH JANUARY THEREAFTER, THE DEPARTMENT OF HIGHER EDUCATION SHALL ANNUALLY REPORT ON THE INFORMATION DESCRIBED IN SUBSECTION (4)(a) OF THIS SECTION AT THE DEPARTMENT’S ANNUAL HEARING PURSUANT TO THE "STATE MEASUREMENT FOR ACCOUNTABLE, Responsive, and Transparent (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2.

(5) (a) THE STUDENT LOAN OMBUDSPERSON MAY PROVIDE INFORMATION TO THE PUBLIC REGARDING THE LIMITS DESCRIBED IN THIS SECTION ON WITHHOLDING A TRANSCRIPT OR DIPLOMA AND MAY RECEIVE COMPLAINTS FROM STUDENT LOAN BORROWERS WHO HAVE HAD A TRANSCRIPT WITHHELD.

(b) BEGINNING JANUARY 2025, AND EACH JANUARY THEREAFTER, THE ATTORNEY GENERAL’S OFFICE SHALL COMPILE DATA ON THE COMPLAINTS RECEIVED BY THE STUDENT LOAN OMBUDSPERSON PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION AND ANNUALLY REPORT THE DATA THROUGH THE ANNUAL HEARING FOR THE DEPARTMENT OF LAW HELD PURSUANT TO THE "STATE MEASUREMENT FOR ACCOUNTABLE, Responsive, and Transparent (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2.

(6) THIS SECTION DOES NOT PROHIBIT A PERSON FROM PURSUING ANY OTHER REMEDY PROVIDED BY LAW FOR A VIOLATION OF THIS SECTION.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.".