

P.L. 2025, CHAPTER 353, *approved January 20, 2026*
Assembly, No. 4254 (*Second Reprint*)

1 AN ACT concerning the withholding of student transcripts by
2 institutions of higher education and certain proprietary
3 institutions and supplementing Title 18A of the New Jersey
4 Statutes.
5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:
8
9 1. As used in this act:
10 ²“Current or former student” means a person who at any time
11 enrolled in a course offered by an institution, including a student
12 taking a leave of absence from the institution.²
13 “Debt” means any money, obligation, claim, or sum, due or
14 owing, or alleged to be due or owing, from a current or former
15 student ²**[, but does]** . Debt shall include, but not be limited to, an
16 outstanding balance on the account of a current or former student.
17 Debt shall² not include the fee, if any, charged to all students for the
18 actual costs of providing the transcripts ²**[;]** .²
19 “Institution” means an institution of higher education or
20 proprietary institution licensed to offer academic degrees ²**[; and]** .²
21 “Non-mandatory charges” means all charges and fees imposed by
22 an institution on a student other than tuition, room and board, and
23 mandatory student fees and charges, as defined by the Secretary of
24 Higher Education.
25
26 2. a. ¹**(1)**¹ Except as otherwise provided in subsection c. of this
27 section, if a current or former student ¹meeting the criteria enumerated
28 in paragraph (2) of this subsection¹ requests a transcript ²**[for purposes**
29 of transfer to another institution, application for enrollment in a
30 graduate degree program, or for employment including internships,
31 fellowships, certifications, licensures, and special programs]², an
32 institution shall not, due to an outstanding ²**[balance]** debt² on a
33 current or former student’s account of \$2,000 or less of non-
34 mandatory charges:
35 ¹**[(1)] (a)**¹ refuse to provide a transcript for a current or former
36 student on the grounds that the student owes a debt;

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
¹Assembly AHI committee amendments adopted September 23, 2024.
²Assembly floor amendments adopted October 28, 2024.

1 ¹[(2)] (b)¹ condition the provision of a transcript on the
2 payment of a debt, other than a fee charged to provide the
3 transcript;

4 ¹[(3)] (c)¹ charge a higher fee for obtaining a transcript, or
5 provide less favorable treatment of a transcript request because a
6 current or former student owes a debt; or

7 ¹[(4)] (d)¹ use transcript issuance as a tool for debt collection.

8 ¹(2) The provisions of this section shall only apply to a current or
9 former student whose credits in a specified payment period were not
10 paid for using funds received from a federal student aid program under
11 Title IV of the “Higher Education Act of 1965” (20 U.S.C. s.1070 et
12 seq.) or funds distributed through any State student financial aid
13 program administered by the Higher Education Student Assistance
14 Authority, including a student loan issued through the New Jersey
15 College Loans to Assist State Students (NJCLASS) Loan Program
16 established pursuant to N.J.S.18A:71C-21.¹

17 b. Except as otherwise provided in subsection c. of this section,
18 an institution may condition the provision of a transcript to a student
19 ²meeting the criteria enumerated in paragraph (2) of subsection a. of
20 this section² on the student’s agreement to enter into a good faith
21 repayment plan and submission of the first payment on that plan if the
22 student owes the institution:

23 (1) debt in any amount for unpaid tuition, room and board, or
24 other mandatory student fees or charges; or

25 (2) debt exceeding \$2,000 from non-mandatory charges.

26 c. Notwithstanding the provisions of subsections a. and b. of this
27 section to the contrary, an institution shall not restrict or condition the
28 provision of a transcript to a student ²meeting the criteria enumerated
29 in paragraph (2) of subsection a. of this section² who attests that the
30 transcript is needed to apply for new student loans or to refinance
31 existing student loans.

32 d. ¹[A violation by an institution of the requirements of this
33 section shall constitute an unlawful practice under P.L.1960, c.39
34 (C.56:8-1 et seq.), and shall be subject to all remedies and penalties
35 available pursuant to the provisions of that act.

36 e.]¹ The provisions of this ¹[act] section¹ shall not apply to an
37 institution’s provision of transcripts to students who reside outside of
38 the United States ²and:

39 (1) are not citizens of the United States or;

40 (2) are current or former students who are or who were previously
41 eligible for federal student aid or State student financial aid pursuant to
42 section 1 of P.L.2018, c.12 (C.18A:71B-2.1)².

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44 ¹3. An institution shall provide an official transcript to a current
45 or former student upon the student’s request for all applicable payment
46 periods in which:

1 a. the student's credits obtained in the specified payment period
2 were paid for using funds received from a federal student aid program
3 under Title IV of the "Higher Education Act of 1965" (20 U.S.C.
4 s.1070 et seq.) or funds distributed through any State student financial
5 aid program administered by the Higher Education Student Assistance
6 Authority, including a student loan issued through the New Jersey
7 College Loans to Assist State Students (NJCLASS) Loan Program
8 established pursuant to N.J.S.18A:71C-21; and

9 b. the student's institutional charges incurred for the payment
10 period, as determined pursuant to federal regulations, were paid for or
11 included in an agreement to pay, including a loan or a payment plan, at
12 the time of the current or former student's request for an official
13 transcript.¹

14
15 ¹4. An institution shall not withhold official transcripts from a
16 current or former student or take any other adverse action against a
17 student related to debts of the student that resulted from an error in the
18 institution's administration of federal student aid under Title IV of the
19 "Higher Education Act of 1965" (20 U.S.C. s.1070 et seq.) or any
20 fraud or misconduct by the institution or an employee of the
21 institution.¹

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23 ²5. A current or former student may permit a transcript released
24 pursuant to the provisions of this act to be transmitted to a third-party
25 entity. An institution releasing a transcript pursuant to the provisions
26 of this act shall provide a current or former student the option to
27 transmit the transcript to the current or former student or to a third-
28 party entity.²

29
30 ²[¹5.] 6.² A violation by an institution of the requirements of this
31 act shall constitute an unlawful practice under P.L.1960, c.39 (C.56:8-
32 1 et seq.), and shall be subject to all remedies and penalties available
33 pursuant to the provisions of that act.¹

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35 ²[¹6.] 7.² Receipt of a transcript by a current or former student
36 pursuant to the provisions of this act shall not be construed to forgive
37 any debt owed by the student to an institution and shall not preclude an
38 institution from:

39 a. taking any action permitted by law to recoup the student's
40 outstanding debt; or

41 b. withholding the diploma of a student with outstanding debt.¹

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43 ²8. An institution shall post its policies concerning transcript
44 release, including policies concerning transcript release to a current or
45 former student with an outstanding debt, on the Internet website of the
46 institution.²

1 ¹**[3.]** ²**[7.]** ²9. This act shall take effect immediately.

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6 Establishes limits on transcript release restrictions at institutions
7 of higher education and certain proprietary institutions.