

SENATE, No. 424

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator JOSEPH PENNACCHIO

District 26 (Morris and Passaic)

SYNOPSIS

Prohibits institutions of higher education and certain proprietary institutions from withholding transcript due to outstanding student account balance; establishes penalties for noncompliance.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



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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.

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6 BE IT ENACTED by the Senate and General Assembly of the State
7 of New Jersey:

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9 1. As used in this act:

10 "Debt" means any money, obligation, claim, or sum, due or
11 owing, or alleged to be due or owing, from a current or former
12 student, but does not include the fee, if any, charged to all students
13 for the actual costs of providing the transcripts.

14 "Institution" means an institution of higher education or a
15 proprietary institution licensed to offer academic degrees.

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17 2. a. An institution shall not, due to an outstanding balance on
18 a current or former student's account:

19 (1) refuse to provide a transcript for a current or former student
20 on the grounds that the student owes a debt;

21 (2) condition the provision of a transcript on the payment of a
22 debt, other than a fee charged to provide the transcript;

23 (3) charge a higher fee for obtaining a transcript, or provide less
24 favorable treatment of a transcript request because a current or
25 former student owes a debt; or

26 (4) use transcript issuance as a tool for debt collection.

27 b. Failure by an institution to provide a transcript within 10
28 business days of the student's request shall subject the institution to
29 a penalty of \$500 per day for each day of noncompliance, which
30 shall be collected in proceedings in accordance with the "Penalty
31 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

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33 3. This act shall take effect immediately.

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STATEMENT

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38 This bill prohibits institutions of higher education and
39 proprietary institutions licensed to offer academic degrees from
40 withholding a student's transcript due to an outstanding balance on
41 the student's account and establishes penalties for noncompliance.

42 This bill prohibits an institution, due to an outstanding balance
43 on a current or former student's account, from:

44 • refusing to provide a transcript for a current or former
45 student on the grounds that the student owes a debt;

46 • conditioning the provision of a transcript on the payment of
47 a debt, other than a fee charged to provide the transcript;

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- 1 • charging a higher fee for obtaining a transcript, or providing
- 2 less favorable treatment of a transcript request because a
- 3 current or former student owes a debt; or
- 4 • using transcript issuance as a tool for debt collection.

5 The bill further provides that failure by an institution to provide

6 a transcript within 10 business days of the student's request will

7 subject the institution to a penalty of \$500 per day for each day of

8 noncompliance.