

SENATE EDUCATION COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 1198

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2023

The Senate Education Committee favorably reports Assembly Bill No. 1198 (1R).

This bill establishes conditions under which an institution of higher education or proprietary institution licensed to offer academic degrees may refuse to release a transcript to a student who has an outstanding account balance at the institution.

Under the bill, if a student requests a transcript for purposes of transfer to another institution, application for enrollment in a graduate degree program, or for employment including internships, fellowships, certifications, licensures, and special programs, an institution cannot, due to an outstanding balance on a student's account of \$2,000 or less of non-mandatory charges:

- (1) refuse to provide a transcript for a student on the grounds that the student owes a debt;
- (2) condition the provision of a transcript on the payment of a debt, other than a fee charged to provide the transcript;
- (3) charge a higher fee for obtaining a transcript, or provide less favorable treatment of a transcript request because a student owes a debt; or
- (4) use transcript issuance as a tool for debt collection.

The bill further provides that an institution may condition the provision of a transcript to a student on the student's agreement to enter into a good faith repayment plan and submission of the first payment on that plan if the student owes the institution:

- (1) any amount for unpaid tuition, room and board, or other mandatory student fees or charges; or
- (2) an amount exceeding \$2,000 for non-mandatory charges.

Under the bill, an institution cannot restrict or condition the provision of a transcript to a student who attests that the transcript is needed to apply for new student loans or to refinance existing student loans.

The bill provides that a violation by an institution of the bill's requirements is to constitute an unlawful practice under the consumer fraud act, and is to be subject to all remedies and penalties available pursuant to the provisions of that act.

Finally, the bill provides that its provisions are not to apply to the release of transcripts to students who reside outside of the United States.

As reported by the committee, Assembly Bill No. 1198 (1R) is identical to Senate Bill No. 1115, which was amended and reported by the committee on this date.