



HR0774 Enrolled

LRB102 26892 ECR 38006 r

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HOUSE RESOLUTION 774

2 WHEREAS, Colleges may place a "hold" on student accounts
3 for various reasons, including having an outstanding balance
4 from unpaid tuition, room and board, library fees, or parking
5 fines; a hold can also occur for nonmonetary reasons, such as
6 conduct violations or unreturned equipment; and

7 WHEREAS, When students are enrolled, this hold might
8 prevent them from registering for the next term and continuing
9 their studies; colleges can also withhold the transcripts of
10 current or former students wishing to transfer to another
11 institution or to apply for an internship or a job if they have
12 a hold on their student account; and

13 WHEREAS, Credits these students have earned are left
14 "stranded" at the institution until they rectify the
15 situation, leaving many students in educational limbo; and

16 WHEREAS, In a 2020 report, the research group Ithaka S+R
17 estimated that approximately 6.6 million current and former
18 students, many of them adults who did not complete their
19 secondary education, owed as much as \$15 billion as of 2018;
20 the average unpaid balance was \$2,300; and

21 WHEREAS, The report cites a 2016 survey from the National

1 Association of College and University Business Officers
2 revealing that 98 percent of colleges admitted to withholding
3 transcripts as a debt collection tactic; and

4 WHEREAS, In 2021, the American Association of Collegiate
5 Registrars and Admissions Officers (AACRAO) issued a similar
6 report stating that 95 percent of colleges withhold
7 transcripts with 64 percent placing a hold for balances of
8 less than \$25; within their sample group, 42 percent of holds
9 preventing access to a transcript were for debts under \$1,000;
10 and

11 WHEREAS, Ithaka's 2021 follow-up report titled "Stranded
12 Credits: A Matter of Equity" claims this problem
13 disproportionately affects students of color and those from
14 low socioeconomic backgrounds; and

15 WHEREAS, For students, especially students of color, first
16 generation, and/or those from low-income backgrounds, stranded
17 credits are the difference between dropping out and earning a
18 degree and securing a better future; and

19 WHEREAS, Public colleges enrolling more than 40 percent of
20 Pell-eligible students are more likely to withhold transcripts
21 for an outstanding balance; and

1 WHEREAS, As of the fall of 2021, Eastern Illinois
2 University has \$50.4 million owed by 8,900 students to the
3 University; as of March 8, 2022, Western Illinois University
4 had 203 students that had been registered in the fall semester
5 that owe the University over \$1,000; the University of
6 Illinois System places financial holds in October to students
7 with a past due balance from fall tuition and fees, which acts
8 as a reminder to students of their delinquent balance, and the
9 majority of holds are addressed by the spring, with the latest
10 delinquent balance hovering at \$5.9 million, down from \$114.5
11 million in the fall; students who have balances greater than
12 \$1,500 are prohibited from registering for a future term; the
13 University System also restricts transcript access to students
14 with past due balances of \$25 or more; and

15 WHEREAS, The problem is most prevalent at community
16 colleges, which Ithaka estimates could have as many as three
17 million former students with stranded credits; and

18 WHEREAS, At the state level, California became the first
19 state to ban transcript holds at public and private colleges
20 in 2019; Washington state enacted a similar law allowing
21 students with balances to access transcripts; in 2020,
22 Louisiana passed similar legislation, although Louisiana's law
23 pertains only to public colleges; and

1 WHEREAS, A 2021 Massachusetts bill proposed granting
2 students access to academic transcripts; in January of 2022,
3 Maine introduced a measure to ban transcript holds for
4 students at four-year colleges owing \$2,500 or less and for
5 those at two-year colleges owing less than \$500; and

6 WHEREAS, In New York, Governor Kathy Hochul announced that
7 the State University of New York ended the practice of
8 withholding transcripts; and

9 WHEREAS, In 2021, the City University of New York (CUNY)
10 system banned transcript holds because of pandemic concerns;
11 some 74,000 students benefited from this decision and were
12 allowed to register with outstanding balances; and

13 WHEREAS, Since January of 2021, Northeastern Illinois
14 University (NEIU) has provided over \$272,000 in debt relief
15 funds for students who dropped out in order to assist them in
16 re-enrolling at NEIU; the "Come Home to NEIU" stop out
17 initiative encouraged students with good academic standing who
18 previously attended NEIU to return to the University and
19 continue taking classes to complete their degrees; in 2021, 59
20 students returned to NEIU; for those students, up to \$3,000 of
21 their debt was waived and they received a \$1,250 scholarship;
22 currently, the past due debt amount for NEIU students is
23 approximately \$27 million; and

1 WHEREAS, Governors State University allows students to
2 register if they have set up a payment plan and are actively
3 making their payments; however, students with holds are
4 prevented from obtaining transcripts; and

5 WHEREAS, Ithaca is working on a pilot program in Ohio,
6 which is to launch in the spring of 2022; under this Ohio
7 program, a student with debt can transfer to one of the eight
8 participating colleges, and the original institution will
9 forgive their debt and release their transcript; in return,
10 the college to which the student is transferring will owe a
11 small fee to compensate the initial institution for its loss;
12 and

13 WHEREAS, In 1998, the U.S. Department of Education issued
14 a "Dear Colleague" letter encouraging colleges to withhold
15 transcripts in cases involving loan defaults and has yet to
16 officially reverse its stance on that matter; and

17 WHEREAS, The AACRAO report notes that among its study
18 participants, 66 percent have a debt-elimination program, and
19 29 percent offer debt-forgiveness, such as Wayne State
20 University's Warrior Way Back program; two-thirds have used
21 funding from the CARES Act to forgive outstanding student debt
22 during the COVID-19 pandemic; and

1 WHEREAS, The practice of holding transcripts, degrees, and
2 the ability to enroll into classes has flourished as a means to
3 create revenue; and

4 WHEREAS, Increasing enrollment at our public universities
5 should include and not ignore students that have a desire to
6 enroll; and

7 WHEREAS, Students who earn degrees and get jobs are far
8 more likely to be in a financial position to settle their debt;
9 yet this is made harder by universities placing holds on
10 student's account for minor debts; therefore, be it

11 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE
12 HUNDRED SECOND GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
13 we urge Governor JB Pritzker and public and private
14 universities in Illinois to explore the idea of allowing
15 students who are prohibited from re-enrolling in college
16 because of past due debt to the university to finish their
17 degrees; and be it further

18 RESOLVED, That we urge the United States Department of
19 Education to rescind its 1998 "Dear Colleague" letter
20 encouraging colleges to withhold transcripts in cases
21 involving loan defaults; and be it further

1 RESOLVED, That we encourage the United States Congress to
2 urge the U.S. Department of Education to rescind its "Dear
3 Colleague" letter; and be it further

4 RESOLVED, That suitable copies of this resolution be
5 presented to JB Pritzker, all institutions of higher learning
6 in the State of Illinois, the U.S. Department of Education,
7 and all members of the Illinois Congressional Delegation.