

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the  
5 Student Debt Assistance Act.

6 Section 5. Definitions. In this Act:

7 "Debt" means any money, obligation, claim, or sum due or  
8 owing or alleged to be due or owing from a student to an  
9 institution of higher education. "Debt" does not include the  
10 fee, if any, that is charged to students by an applicable  
11 provider for the actual cost of providing an academic  
12 transcript to a student.

13 "Institution of higher education" includes, but is not  
14 limited to, an institution to which the Private Business and  
15 Vocational Schools Act of 2012 or the Private College Act  
16 applies and a public institution of higher education included  
17 in the definition of "public institutions of higher education"  
18 under the Board of Higher Education Act. "Institution of  
19 higher education" also includes a person engaged in the  
20 business of providing postsecondary education, via  
21 correspondence or online or in this State, to an individual  
22 located in this State, regardless of whether the person has  
23 obtained authorization from the Board of Higher Education to

1 operate in this State or is accredited.

2 "Official transcript" means the academic transcript or a  
3 similar academic record of each current or former student of  
4 an institution of higher education that is deemed official,  
5 authenticated, certified, or bona fide and that contains  
6 information customarily provided on an official academic  
7 transcript, including, but not limited to, courses taken,  
8 terms, grades, degrees or credentials conferred, and any other  
9 similar information.

10 "Unofficial transcript" means the academic transcript or a  
11 similar academic record of each current or former student of  
12 an institution of higher education that contains information  
13 customarily provided on an official transcript, but cannot be  
14 used to transfer academic credits to another institution of  
15 higher education.

16 Section 10. Withholding of unofficial transcripts  
17 prohibited. An institution of higher education may not do any  
18 of the following:

19 (1) Refuse to provide an unofficial transcript to a  
20 current or former student on the grounds that the student  
21 owes a debt.

22 (2) Condition the provision of an unofficial  
23 transcript on the payment of a debt, other than a fee  
24 charged to provide the transcript.

25 (3) Charge a higher fee for obtaining an unofficial

1 transcript or provide less favorable treatment of a  
2 request for an unofficial transcript because a current or  
3 former student owes a debt.

4 Section 15. Withholding of official transcripts. An  
5 institution of higher education:

6 (1) must provide an official transcript of a current  
7 or former student to a current or potential employer, even  
8 if the current or former student owes a debt;

9 (2) may not condition the provision of an official  
10 transcript to a current or potential employer on the  
11 payment of a debt, other than a fee charged to provide the  
12 transcript; and

13 (3) may not charge a higher fee for transferring an  
14 official transcript to a current or potential employer or  
15 provide less favorable treatment for such a request  
16 because a current or former student owes a debt.

17 Section 20. Physical or financial hardship policy.

18 (a) Beginning with the 2022-2023 school year, every  
19 institution of higher education must have a policy instituting  
20 a financial or physical hardship withdrawal process. The  
21 process must work to limit debt owed by students who have to  
22 withdraw from the institution due to a significant financial  
23 or physical hardship and to assist those students if and when  
24 they choose to re-enroll. Types of hardship shall include, but

1 are not limited to:

2 (1) serious injury or illness;

3 (2) chronic illness;

4 (3) a medical issue of a family member in which the  
5 student has to become a part-time or full-time caretaker  
6 of that family member;

7 (4) a mental health condition;

8 (5) a sudden or consistent lack of transportation  
9 issue; and

10 (6) a significant cost of living increase.

11 (b) Information regarding the existence of the financial  
12 or physical hardship withdrawal process shall be publicized on  
13 the institution of higher education's website, and information  
14 must be given to students as part of any school orientation  
15 process.

16 Section 25. Student debt and credit report. If an  
17 institution of higher education chooses to send a current or  
18 former student's past due debt to a debt collection agency,  
19 the past due debt may not be reported to any credit reporting  
20 agencies, except as provided by federal law.

21 Section 99. Effective date. This Act takes effect upon  
22 becoming law.