

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 5. The Student Debt Assistance Act is amended by
5 changing Section 15 and by adding Sections 30 and 35 as
6 follows:

7 (110 ILCS 66/15)

8 Sec. 15. Withholding of official transcripts.

9 (a) An institution of higher education:

10 (1) must provide an official transcript of a current
11 or former student ~~to a current or potential employer,~~ even
12 if the current or former student owes a debt if the student
13 requests the official transcript to:

14 (A) complete a job application;

15 (B) transfer from one institution of higher
16 education to another;

17 (C) apply for State, federal, or institutional
18 financial aid;

19 (D) join the United States Armed Forces or
20 Illinois National Guard; or

21 (E) pursue other postsecondary opportunities;

22 (2) may not condition the provision of an official
23 transcript to a current or potential employer on the

1 payment of a debt, other than a fee charged to provide the
2 transcript; and

3 (3) may not charge a higher fee for providing
4 ~~transferring~~ an official transcript ~~to a current or~~
5 ~~potential employer~~ or provide less favorable treatment for
6 such a request because a current or former student owes a
7 debt.

8 (b) Nothing in this Section prohibits an institution of
9 higher education from adopting a more lenient policy on
10 providing an official transcript to a current or former
11 student who owes a debt.

12 (Source: P.A. 102-998, eff. 5-27-22.)

13 (110 ILCS 66/30 new)

14 Sec. 30. Past-due debt policy.

15 (a) Beginning with the 2023-2024 academic year, each
16 institution of higher education shall adopt a policy that
17 outlines the process by which a current or former student may
18 obtain a transcript or diploma that has been withheld from the
19 student because the student owes a debt. At a minimum, the
20 policy must include:

21 (1) a reasonable process for the verification of
22 conditions a current or former student may demonstrate to
23 receive an exemption pursuant to Section 15 of this Act;
24 and

25 (2) identification of the point at which a student may

1 be subject to a transcript, diploma, or registration hold,
2 including the time frames and amounts for which the holds
3 are to be used and the lowest amount of debt at which the
4 institution will assign debt to a third-party collection
5 agency.

6 (b) The institution of higher education shall post the
7 policy described in subsection (a) of this Section and the
8 procedures for filing a complaint with the Attorney General's
9 student loan ombudsperson and an administrator of the
10 institution of higher education on the institution of higher
11 education's website and shall provide the policy and the
12 procedures to students as part of the information the
13 institution of higher education shares relating to the cost of
14 attendance that includes any additional fees, financial aid,
15 scholarships, or other information.

16 (c) The institution of higher education does not need to
17 institute a new policy under this amendatory Act of the 103rd
18 General Assembly if the institution's current policy meets the
19 minimum requirements of this Section.

20 (110 ILCS 66/35 new)

21 Sec. 35. Reporting. On or before July 1, 2024 and on or
22 before each July 1 thereafter, each institution of higher
23 education shall report to either the Board of Higher Education
24 or the Illinois Community College Board, whichever is
25 appropriate, information regarding financial-based transcript

1 and registration holds, which must include:

2 (1) reporting the institution of higher education's
3 policy developed pursuant to Section 30 of this Act; and

4 (2) reporting the number of students for whom the
5 institution of higher education has withheld official
6 transcripts, diplomas, or registration privileges, using
7 data from the previous academic year.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.