



NEW YORK STATE SENATOR

Kevin Thomas

## Senate Approves Legislation to End “Transcript Ransoming”

KEVIN THOMAS May 25, 2021

| ISSUE: **STUDENT LOAN DEBT, CONSUMER PROTECTION, TRANSCRIPT WITHOLDING, COLLEGES AND UNIVERSITIES**

| COMMITTEE: **CONSUMER PROTECTION**



(Albany, NY) — Consumer Protection Committee Chair Kevin Thomas today announced the passage of legislation to prohibit higher education institutions from withholding an official transcript from a current or former student on the grounds that the student owes a debt, a practice sometimes known as “transcript ransoming.”

Thousands of New Yorkers are currently unable to obtain their transcripts from higher education institutions across the state because they owe even small amounts of money—from tuition fees to library fines and parking tickets—to the universities and colleges they attended. At a time when many families are suffering through the financial fallout of the COVID-19 pandemic, transcript withholding is a disruptive, counter-productive, and harmful practice that prevents students from being able to transfer credits, re-enroll in school to finish their degrees, or obtain jobs that could help them pay their balances.

The legislation sponsored by Senator Kevin Thomas (S.5924A) would ensure students have access to transcript data necessary to complete their degree and obtain employment by making transcript withholding a prohibited debt collection practice.

“Each withheld transcript represents a student who was denied the opportunity to pursue a chosen career path, denied access to social and economic mobility through higher education, and ultimately denied access to the American Dream,” said Senator Kevin Thomas. “As New Yorkers recover from the economic fallout of the pandemic, we have the opportunity to remove this ineffective and counterproductive barrier in higher education, helping our state recover faster by ensuring a strong, diverse, and educated workforce.”

"The pandemic has exposed one of the darkest secrets of the student debt crisis—transcript withholding," said Seth Frotman, executive director of the Student Borrower Protection Center. "Senator Thomas's legislation will put an end to this abuse and provide a path forward for students as they begin on the long road of rebuilding from the economic fallout of COVID."

“The practice of transcript withholding is preventing many New Yorkers, especially first generation college students, from completing their degree and obtaining economic mobility. This legislation is critical to ensure we have a strong, diverse, and educated workforce,” said

Carolina Rodriguez, Director of the Education Debt Consumer Assistance Program (EDCAP).

"Transcript withholding is a harmful debt collection practice that prevents thousands of New York's college students from completing their degree and getting the credentials they need for living wage jobs," said Marissa Muñoz, Northeast Regional Director of Young Invincibles. "As we recover from COVID, we should encourage students to return to school and enter into the workforce — not make it harder by withholding students' academic records."

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#### RELATED LEGISLATION

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## **2021-S5924A**

Transcript Withholding, student debt, student loans

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate

- ○ Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
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Relates to prohibited practices relating to student educational debt

March 23, 2021

Senate Floor Calendar

Sponsored by **Kevin Thomas**

Do you support this bill?