

AN ACT concerning education.

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

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

(110 ILCS 66/15)

Sec. 15. Withholding of official transcripts.

(a) An institution of higher education:

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

(A) complete a job application;

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

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

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

(E) pursue other postsecondary opportunities;

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

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

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

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

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

(110 ILCS 66/30 new)

Sec. 30. Past-due debt policy.

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

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

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

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

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

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

(110 ILCS 66/35 new)

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

and registration holds, which must include:

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

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

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