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Testimony of Sen. Eloise Vitelli introducing
**LD 1838, An Act To Improve Student Access to Postsecondary School
Transcripts and Diplomas**
Before the Joint Standing Committee on Education and Cultural Affairs
January 12, 2022

Senator Rafferty, Representative Brennan, and esteemed members of the Education and Cultural Affairs Committee, my name is Eloise Vitelli and I represent Senate District 23, which includes all of Sagadahoc County and the town of Dresden in Lincoln County. I am before you today to introduce LD 1838, An Act To Improve Student Access to Postsecondary School Transcripts and Diplomas.

As we all know, the problem of student debt looms large in Maine and across the country. As the federal government struggles to find a solution to this crisis, in Maine we have taken action. I was proud to sponsor the [Student Loan Bill of Rights in 2019](#), which created a registry of public lenders and created rights for borrowers to protect them from predatory lending practices. And last session, the Legislature passed [a bill](#) I sponsored to extend many of these rights to private student loan borrowers and their cosigners. Taken together, these two pieces of legislation represent significant steps forward in helping student loan borrowers successfully and fairly pay down their debt.

But there is another piece of the puzzle. Students and graduates who owe money directly to their college or university often face the additional hurdle of having their transcripts or diplomas withheld until their debt is paid off. Transcript withholding, estimated to be [practiced by over 90% of colleges and universities](#), is intended as an incentive for students and graduates to pay down their debt. In reality, it's a damaging practice that benefits neither students and graduates nor colleges and universities.

Official records of one's transcript or diploma are often needed when one is pursuing further educational or job opportunities. A transcript is usually necessary for returning to school to complete a degree or to obtain an additional degree, and verification of one's educational experience is sometimes needed to complete the hiring process for a job. If one doesn't have access to these documents because of an outstanding debt, whether that debt be \$100, \$1,000, or \$10,000, these educational and job opportunities – and the increased earnings potential that come with them – are lost.

The result is that schools, in their efforts to retrieve debt owed to them by a student, actually end up limiting that student's ability to earn the funds needed to pay off those debts. This is especially true for low-income students and for those who left school before completing their degree. This is perhaps why transcript withholding is such an ineffective tool for collecting debt; one study shows that transcript withholding yields [just seven cents for every dollar owed](#).

This bill would prohibit postsecondary schools in Maine from refusing to provide a transcript or diploma for a student on the grounds that the student owes debt. It would also prohibit the conditional release of these documents on the payment of debt, charging a higher fee for these documents or otherwise providing less favorable treatment because the student owes debt, or using the issuance of these documents as a tool for debt collection.

This bill would not forgive the debts owed to colleges or universities. It would not prohibit colleges or universities from collecting debt owed to them by other means, many of which are more effective anyway. It would simply allow students access to their own official documentation so they can responsibly pay down their debts without unfair penalties or limitations placed on their futures.

Ending the practice of transcript withholding is gaining traction across the country and is a logical next step in Maine's efforts to balance the rights of lenders with the rights of student borrowers. I thank you for your consideration of this bill and would be happy to answer any questions.