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Higher Education Committee
California Assembly
State Capitol, Room 127

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Good afternoon. My name is Rebecca Maurer. I am an attorney who represents student borrowers. In addition to my law practice, I am a student loan justice fellow at the Student Borrower Protection Center, a non-profit founded by the former student loan ombudsman at the Consumer Financial Protection Bureau. My research focuses on the practice of transcript withholding.

In my capacity as an advocate and as a SBPC fellow, I am pleased to speak today in support of AB 1313. I would like to thank the Committee for the invitation and opportunity to speak.

The practice of transcript withholding allows an institution of higher education to refuse to produce an official transcript when a student has a financial hold on their account.

Consider a fairly typical situation: John Smith is enrolled at a for-profit college where he is working on his associates degree. Once completed, he'll be eligible for a promotion at work. John is only a few credits away from finishing, when his car breaks down and he has an unexpected repair. This car repair sets John back \$400 and makes it impossible for him to cover the tuition payment on his last required course. John withdraws from the class and ends up with a financial hold on his account for the unpaid tuition.

A few months later, John is ready to complete his degree, but finds that the for-profit college he was attending does not have flexible policies that allow him to re-enroll and get the credit he needs. However, the community college down the road does. The problem? John's original school refuses to release his transcript while John has a financial hold on his account. John cannot transfer his credits, cannot finish his degree, and cannot even get the raise that would help him pay off his tuition debt.

In other words, the economic potential of John's degree is locked up in the transcript.

In my research and in my practice, I found transcript withholding to be a common practice. Throughout California, the economic potential of tens of thousands of students is locked up because of transcript withholding.

AB 1313 will limit the ability of institutions of higher education to withhold transcripts because of small financial holds. AB 1313 will unlock the economic potential of thousands of students who are looking to improve their lives through the American dream of education. For these reasons, I support this legislation.

Thank you for your time.

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