



Transcript Withholding

A Summary of Ohio Law and Policy on Post-secondary Institution Transcript Withholding as Amended by the 134th GA - HB 110

As states seek to increase college attainment, the practice of transcript withholding has attracted greater scrutiny. Ithaka S+R issued a report titled “Solving Stranded Credits” on October 5, 2020 detailing some of the issues.¹

On May 12, 2021, the Ohio Department of Higher Education (ODHE) issued its “College Comeback” guidance clarifying the ability of institutions of higher education (IHEs) to voluntarily forgive outstanding student debt in exchange for re-enrollment. This offers a new tool for IHEs to re-engage stopped out students and work toward degree completion.

As of today, approximately a half dozen state institutions of higher education have either adopted or are actively planning to adopt “College Comeback” style programs. You can read more about College Comeback here: <https://www.ohiohighered.org/college-comeback>.

On the regulatory front, three states – California, Louisiana and Washington – recently enacted transcript withholding laws. Ohio has now joined this list through the enactment of Ohio Revised Code section 3345.027 in HB 110 of the 134th General Assembly.

This section prohibits state institutions of higher education (IHEs) from withholding a student’s official transcripts from a potential employer because the student owes money to the institution, provided the student has authorized transcripts to be sent and the employer affirms the transcripts are a prerequisite of employment. The relevant language reads:

Sec. 3345.027. A state institution of higher education, as defined in section 3345.011 of the Revised Code, shall not withhold a student’s official transcripts from a potential employer because the student owes money to the institution, provided the student has authorized the transcripts to be sent to the employer and the employer affirms to the institution that the transcripts are a prerequisite of employment.

This change in statute, effective September 30, 2021, requires **state institutions of higher education in Ohio to either establish a process to distinguish requests for transcripts for the purposes contemplated in the statute from other transcript requests or, alternatively, opt to forgo withholding of transcripts more generally to satisfy the new state law.**

¹ Karon, J., Ward, J. D., Hill, C. B., & Kurzweil, M. (2020, October 5). Solving Stranded Credits: Assessing the Scope and Effects of Transcript Withholding on Students, States, and Institutions. <https://doi.org/10.18665/sr.313978>

Please note that institutions **may not apply additional limitations** such as requiring a student to “apply” for transcript release that is somehow conditional on meeting other terms such as agreement to repay the debt. This is not permissible.

Even prior to this statutory change, a number of Ohio public two- and four-year colleges and universities had already established voluntary policies to release transcripts for students who needed them for employment purposes. These policies have historically involved communication between and among parties including the student, bursar, and prospective employer to confirm the legitimacy of the request, temporarily lift the transcript hold, and fulfill the release.

Under Ohio law, an IHE is not required to withhold transcripts in order for debt collection to proceed. All public IHE debt is referred to the Ohio Attorney General. Ohio is one of five (5) states that administers debt collection for students through the state attorney general’s office.²

IHEs in Ohio may continue to refer and collect debt from students through the Attorney General’s office regardless of whether transcript withholding is utilized as leverage. **There is no requirement under Ohio law that institutions utilize transcript withholding as leverage.**

Ohio also provides for tax intercept of refunds, whereby tax refunds are checked against debts owed to state IHEs and offset by appropriate amounts. This authority, granted by ORC 5747.12 and OAC 5703-7-13, is automatic and results in an offset notice sent to the taxpayer.

If your institution has questions about transcript withholding and would like to discuss this topic with the Ohio Department of Higher Education, please contact Senior Vice Chancellor Mike Duffey at mduffey@higherred.ohio.gov.

² New York, Pennsylvania, Virginia and Louisiana are the remaining four states that refer debt to the state attorney general, according to research by HCM Strategists for Ohio’s Cradle to Career Network, published December 2020.