



**NOTICE OF PROPOSED RULEMAKING
AMENDMENT TO CALIFORNIA CODE OF REGULATIONS, TITLE 5
REGARDING
AB 1313 – District Debt Collection Changes to § 59410**

45-Day Notice published March 2, 2020

NOTICE IS HEREBY GIVEN that, pursuant to Standing Order 200, the Board of Governors of the California Community Colleges proposes to adopt the regulations described below after considering all comments, objections, or recommendations regarding the proposed action.

PUBLIC HEARING

A public hearing will be held during the next regularly scheduled Board of Governors meeting on March 16, 2020, at 1102 Q Street, Sacramento, California. The Board meeting will commence at the hour of 1:00 p.m., or as soon thereafter as the business of the Agency will permit. The room is wheelchair accessible. Other disability-related accommodations such as materials in alternate media, sign language interpreters, or real time transcription will be provided to persons with disabilities upon request. Parking accessible for persons with disabilities is available near the facility. Persons requesting such accommodations should notify Christina Castro, 1102 Q Street, Suite 4500 Sacramento, CA 95811-6549, ccastro@ccco.edu, 916-323-5889, no less than five working days prior to the meeting. The Chancellor's Office will make efforts to meet requests made after such date, if possible.

At the hearing, any person may present statements or arguments, orally or in writing, relevant to the proposed regulatory action described in the Informative Digest. The Board of Governors requests, but does not require, that persons who make oral comments at the hearing also submit a written summary of their comments. No oral comments will be accepted subsequent to this public hearing.

WRITTEN COMMENT PERIOD

Any interested person may submit written comments relevant to the proposed regulatory action. To help ensure comments are understood as they are intended, we suggest that they clearly identify the proposed regulation that each comment addresses, with reference to specific section and subparagraph numbers where appropriate. Please arrange comments in the same order as in the proposed regulatory action. Comments should be addressed to:

Regulations Coordinator
California Community Colleges
Chancellor's Office
1102 Q Street, Suite 4550
Sacramento, CA 95811-6549
regcomments@cccco.edu

Comments must be received by the Regulations Coordinator prior to 4:00 p.m. on April 15, 2020. All written comments received by CCCCO staff during the public comment period are subject to disclosure under the Public Records Act.

CHANGES OR MODIFICATIONS TO PROPOSED TITLE 5 AMENDMENTS

Following the public hearing and considering all timely and relevant comments received, the Board of Governors may adopt the proposed regulatory action substantially as described in this Notice or may modify the proposed regulatory action if the modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposed regulatory action will be available for 15 days prior to its adoption, and will be provided to those persons who have requested or are required to receive notification of regulatory actions, or who have provided written or oral comments relevant to the proposed regulatory action.

AUTHORITY AND REFERENCE

Authority: Civil Code Section 1788.93.

Reference: Education Code Section 70901.

INFORMATIVE DIGEST

The Donahoe Higher Education Act requires public higher education entities to adopt regulations to withhold institutional services, including the withholding of transcripts, upon notice to students that they are in default of their student loans.

AB 1313, signed into law October 4, 2019, would, notwithstanding those provisions, prohibit a school, as defined, from refusing to provide a transcript for a current or former student on the grounds that the student owes a debt, conditioning the provision of a transcript on the payment of a debt, charging a higher fee for obtaining a transcript, providing less favorable treatment of a transcript request because a student owes a debt, or using a transcript issuance as a tool for debt collection.

Furthermore, in 2019, the Legislature enacted the Educational Debt Collection Practices Act to prohibit colleges from withholding student transcripts as a debt collection practice. The Legislature declared that this practice causes “severe hardship” and is “unfair and contrary to public policy. (Civil Code, § 1788.90, subd. (a).)

Civil Code Section 1788.93 specifically prohibits the following practices:

- Refusing to provide a transcript to current or former students on the grounds that the student owes debt;
- Conditioning the provision of a transcript on the payment of a debt, other than a fee charged to provide the transcript;
- Charging a higher fee for obtaining a transcript, or providing less favorable treatment to a transcript request, because a student owes debt; and
- Using transcript issuance as a tool for debt collection.

Under the Act, “debt” is broadly defined to include “any money, obligation, claim, or sum, due or owing, or alleged to be due or owing.” (Civil Code, § 1788.92, subd. (b).) Accordingly, to the extent a student has an “obligation” to return borrowed equipment, or the college has a “claim” to property in a student or former student’s possession, this would constitute a debt for which a college may not leverage a transcript in its collection efforts.

The regulatory action would amend title 5, section 59410, to prohibit community college districts from withholding student grades or transcripts as part of district debt collection activities against a student debtor.

ESTIMATED COST OR SAVINGS OF PROPOSED AMENDMENTS

The estimated cost or savings of the proposed amendments are anticipated to be as follows:

Mandate on local agencies or community college districts: None.

Cost or savings to state agencies: None.

Costs to local agencies or community college districts for which reimbursement would be required pursuant to part 7 (commencing with section 17500) of division 4 title 2 of the Government Code: None.

Other non-discretionary cost or savings imposed on community college districts: None.

Cost or savings in federal funding to state agencies: None.

CONTACT PERSON

Inquiries concerning the content of these regulations may be directed to the Regulations Coordinator, at regcomments@cccco.edu.

TEXT OF PROPOSED REGULATIONS AND CORRESPONDING DOCUMENTS

Copies of the exact language of the proposed regulatory action, and all of the information upon which the proposal is based, may be obtained online at:

[Office of General Counsel - Pending Regulatory Action](#)

Those who receive the Board of Governors Agenda package for the March 16, 2020, meeting can find a further description of the proposal and the full text of the regulatory action. You may also request a copy of the proposal from the Regulations Coordinator using the contact information provided above.