



# WITHHOLDING COLLEGE TRANSCRIPTS: BARRIERS TO EDUCATION AND THE ECONOMIC SUCCESS OF TEXANS

## A Skilled Workforce is a Win-Win for Texans and the Texas Economy

Texans who hold a bachelor's degree earn 42.5% more than individuals who hold an associate degree, and 67.9% more than high school graduates with no further education.<sup>1</sup> **College transcripts are essential for individuals wishing to further their education, build on the education they have completed following a break from school, or obtain employment.**

The Texas Education Code permits higher education institutions to withhold the release of an individual's college transcript if they have an unpaid debt to the institution. These debts include balances on the individuals' account such as library fees, housing fees, meal balances and more. **This policy creates a barrier for Texans' upward mobility and has proven to be ineffective at collecting debt, with only an estimated seven cents on the dollar collected.**<sup>2</sup>

In March 2024, Texas Appleseed published the report [Withholding Higher Education: How Current Transcript Policies at Texas Colleges Derail Educational Aspirations and Job Opportunities for Texans](#)<sup>3</sup>, to investigate the impact withholding transcripts has on Texans. We analyzed data from six community colleges across the state and determined that there are nearly **55,000 outstanding debts** preventing individuals from accessing their college transcript from the six schools sampled. **The average amount of debt was \$583.**

Additionally, we found that **most debts belong to individuals no longer enrolled in the institution and most debts are more than five years old.** A \$500 debt is sufficient to be a barrier for individuals who wish to further their education or obtain employment, as was the case for Tlaloc Fierro.

Tlaloc went to college straight from high school but decided to return home after a year and go to a local community college. Efforts to access a transcript to transfer credits were blocked due to an unexpected \$500 debt. Tlaloc eventually paid the debt but could not benefit from the credits in a timely way. "Five hundred dollars was what a semester of community college cost," Tlaloc recalled. "I was focused on trying to survive."

Transcript withholding due to unpaid debts is a lose-lose situation. It thwarts Texans' aspirations, and the Texas economy misses out on an educated workforce.

## WHAT CAN TEXAS DO?

Texas would benefit from creating pathways for Texans to further their education and enter the job market. Changing policies related to transcript holds to prohibit holds for small debts and create payment plans for larger debts would have a double benefit. It would enable Texans to advance, and the payments plans would likely increase the amount of debt that institutions are able to collect. **Eleven states<sup>4</sup> have already enacted policy prohibiting or limiting transcript withholding. Texas would benefit by doing the same.**

<sup>1</sup> Bureau of Labor Statistics. (n.d.). More education: Lower unemployment, higher earnings [Handout].

<https://www.bls.gov/emp/education-payshandout.pdf>

<sup>2</sup> Lederman, D. (2022, June 21). Scrutiny Grows for Withholding Transcripts to Collect Student Debt. Inside Higher Ed.

<https://www.insidehighered.com/news/2022/06/21/scrutiny-grows-withholding-transcripts-collect-student-debt>

<sup>3</sup> See [https://www.texasappleseed.org/sites/default/files/2024-04/transcript\\_withholding\\_report\\_march2024\\_final.pdf](https://www.texasappleseed.org/sites/default/files/2024-04/transcript_withholding_report_march2024_final.pdf).

<sup>4</sup> Indiana, Minnesota, Colorado, Maine, New York, California, Maryland, Washington, Illinois, Connecticut, and Oregon