

**Oppose****House Appropriations Committee*****House Bill 419 (Higher Education – Report on Collection Practices for Unpaid Fees and Services)*****Sara C. Fidler, President, [sfidler@micua.org](mailto:sfidler@micua.org)****February 11, 2020**

On behalf of Maryland’s independent colleges and universities and the 65,600 students that we serve, we offer the following testimony respectfully in **opposition** to *HB 419 (Higher Education – Report on Collection Practices for Unpaid Fees and Services)*.

This bill requires institutions of higher education to collect data regarding: the number of students who owe unpaid fees, the average amount of an unpaid fee, the categories for which an unpaid fee may be owed, the number of academic transcripts and other documents withheld as the result of unpaid fees, the threshold amount that triggers the withholding of an academic document, and payment plans and practices offered by the institution. We understand that barriers to continuing education and employment are a very real problem for some students and we appreciate the sponsor’s intent to try to diagnose and eliminate these barriers. However, we note that unpaid fees are not a problem specific only to low-income students and that the process of having an unpaid fee is fluid and often resolved before reaching the level of a sanction.

Our institutions are of varying sizes and diverse student body composition. In some instances, our institutions are so small that reporting the number of students who owe unpaid fees may beg the question of privacy concerns. Regarding the average amount of unpaid fees, this number would be misleading, unless reported within a particular category of unpaid fee. For example, an unpaid parking ticket of \$25 would not make sense aggregated with unpaid tuition and fees. Regarding the categories for which a student may owe unpaid fees, these will be varied by institution as well and will belie an apples to apples comparison. Every institution may not have student activity fees, overdue library fines, or parking fees. In some instances, as with the number of students, the number of academic transcripts and other academic documents that are withheld may beg the question of privacy concerns. Regarding a threshold amount that triggers withholding, this will also vary from institution to institution and sets a bad precedent for the creation of bad credit and other financial practices of the student. Further, this data point may be determined on a case-by-case basis, and if reported as required under this bill, such a threshold may incentivize a student to “get away with” actions that result in an unpaid fee below the amount of the threshold.

A few of our institutions report that they only withhold transcripts when outstanding balances for tuition or fees are significant. Further, it would be logistically very difficult to go back through five years' worth of records as is required by the bill and for the reasons stated above, may not even yield the causal relationship that is being sought.

**We appreciate the willingness of the sponsor to listen to our concerns; however, for all of the above stated reasons, MICUA respectfully urges an Unfavorable report.**