

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
January 24, 2023**

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 7.002
Tuition and Fee Assessment, Collection, Accounting and Remittance

PROPOSED COMMITTEE ACTION

Approve the Public Notice of Intent to Amend Regulation 7.002.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation Development Procedures

BACKGROUND INFORMATION

On September 29, 2022, the Consumer Financial Protection Bureau (CFPB) released a special edition of Supervisory Highlights on recent examination findings covering the practices of student loan servicers and schools that lend to students directly. The examination found that these schools had improper blanket policies of withholding transcripts to force students to make payments.

Under the Consumer Financial Protection Act, Congress gave the CFPB supervisory authority over entities that originate private education loans, including institutional loans. The CFPB examines private student lenders of all sizes, including entities that operate school-based lenders that extend loans directly to students.

The CFPB's examinations found that the blanket withholding of transcripts to pressure borrowers is an abusive practice under the Consumer Financial Protection Act.

The revision to this regulation strikes the word "transcript" from section seven based on the above finding by the CFPB and adds a sentence that the university "may provide in regulation that suspension of academic progress will preclude students from receiving official transcripts where the student's account has a balance of \$500 or more."

This regulation has been shared with the universities.

Supporting Documentation Included: Regulation 7.002

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