



HB 184 - Nonpublic Schools - Transcripts - Prohibition on Punitive Measures Related to Student Debt

House Ways & Means Committee

January 23, 2025

SUPPORT

Chair Atterbeary, Vice-Chair and members of the committee thank you for the opportunity to submit testimony in support of House Bill 184. This bill will prevent nonpublic schools from holding students' transcripts due to institutional debt.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

The rising costs tied to K-12 education can create barriers for families. To add, hidden fees, such as those for extracurricular activities, technology, or school supplies, can add up quickly especially for low-income families. When families cannot afford these costs, students often miss out on valuable learning opportunities, unfairly placing the burden of financial hardship on children for circumstances beyond their control.

This cycle compounds the challenges faced by children from low-income households. We must avoid creating additional barriers that hinder their ability to fully engage in school or pursue post-secondary education. These obstacles not only limit students' potential but also contribute to broader issues like food insecurity, housing instability, and financial stress.

HB 184 will allow for students to continue their educational and career goals, which in turn will put them in a better position to pay their debts. Punitive actions on students facing financial hardships will limit not only the family's potential to pay their debts, but it will also limit the institution's ability to collect.

Thus, we encourage you to return a favorable report for HB 184.

Creating Assets, Savings and Hope