§ 640. Student debt; prohibited practices. 1. No degree-granting institution or licensed private career school, as defined by section five thousand one of this chapter, shall:

(a) withhold a transcript because a student owes a debt to such institution or school;

(b) condition the provision of a transcript on a student's payment of a debt to such institution or school; or

(c) charge a higher fee or provide less favorable treatment of a transcript request because a student owes a debt to such institution or school, provided however, that an institution or school may charge a fee for the issuance of a transcript.

2. In addition to such penalties as may otherwise be applicable by law, the superintendent of financial services may, after notice and hearing, enjoin such transcript withholding practices and require any institution or school found to be in violation of the provisions of this article to pay to the people of this state a penalty of five hundred dollars for each violation.

3. In addition to the right of action granted to the superintendent of financial services pursuant to this section, any person who has been injured by reason of any violation of this section may bring an action in their own name to enjoin such unlawful act or practice. The court may, in its discretion, award reasonable attorneys' fees to the prevailing plaintiff.