STAND. COM. REP. NO.

1200

Honolulu, Hawaii

APR 0 1 2013

RE: S.C.R. No. 119 S.D. 1

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

Madam:

Your Committees on Higher Education and Commerce and Consumer Protection, to which was referred S.C.R. No. 119 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A STUDY OF THE REGULATION OF UNACCREDITED DEGREE GRANTING INSTITUTIONS IN THE STATES,"

beg leave to report as follows:

The purpose and intent of this measure is to request the Auditor to conduct a study of the regulation of unaccredited degree granting institutions in the State.

Your Committees received testimony in support of this measure from the Office of Consumer Protection.

Your Committees find that Hawaii is one of a small number of states that does not license, approve, or prohibit unaccredited degree granting institutions. Such institutions are only subject to chapter 446E, Hawaii Revised Statutes, which requires institutions to disclose that they are not accredited by any nationally recognized accrediting agency listed by the United States Secretary of Education.

The Internet has caused an influx of unaccredited degree granting institutions attempting to do business in the State and has resulted in an increase in the number of complaints received by the Office of Consumer Affairs.

In order to better protect Hawaii consumers and to curb Hawaii's reputation as a state that allows for "diploma mills", your Committees believe that a sunrise analysis is necessary to evaluate the current and alternative forms of regulating unaccredited degree granting institutions.

Your Committees have amended this measure by:

- (1) Amending the title for clarity;
- (2) Requesting that the Auditor's report to the Legislature include any proposed legislation; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Higher Education and Commerce and Consumer Protection that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 119, as amended herein, and recommend that it be referred to the Committee on Ways and Means, in the form attached hereto as S.C.R. No. 119, S.D. 1.

Respectfully submitted on behalf of the members of the Committees on Higher Education and Commerce and Consumer Protection,

ROSALYN W. BAKER, Chair

BRIAN T. TANIGUCHI, Chair

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Higher Education HRE

Bill / Resolution No.:*	Committee Referral:		Date:						
SCR 119	HRE/CPN, WAM		M	arch	28-13				
The committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (W	R)	Nay	Excused			
TANIGUCHI, Brian T. (C)									
KAHELE, Gilbert (VC)									
KEITH-AGARAN, Gilbert S.C.									
IGE, David Y.									
KIDANI, Michelle N.						•			
TOKUDA, Jill N.									
SLOM, Sam									
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TOTAL		4				3			
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original File with Committee Report Yellow Clerk's Office Pink Pink Pink Pink Pink Pink Pink Pink									

*Only one measure per Record of Votes

The Senate Twenty-Seventh Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*				Date:					
SCR 119	HRE/CPN, WAM 3 28 13				13				
The committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
BAKER, Rosalyn H. (C)									
GALUTERIA, Brickwood (VC)					<u></u>				
NISHIHARA, Clarence K.		V							
SOLOMON, Malama		1							
TANIGUCHI, Brian T.									
WAKAI, Glenn									
SLOM, Sam					<u></u>				
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TOTAL	<u> </u>	4	-	_	3				
Recommendation: Adopted Not Adopted					i .				
Chair's or Designee's Signature:									
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*Only one measure per Record of Votes