

STAND. COM. REP. NO. **2328**

Honolulu, Hawaii

FEB 18 2016

RE: S.B. No. 2040
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Higher Education and the Arts, to which was referred S.B. No. 2040 entitled:

"A BILL FOR AN ACT RELATING TO POST-SECONDARY EDUCATION,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify that under the Hawaii Post-Secondary Education Authorization Program, when an institution ceases to operate, the student transcripts shall be kept permanently in a form prescribed by the Director of Commerce and Consumer Affairs and that other records requested and obtained by the Department of Commerce and Consumer Affairs may be disposed of at the Director's discretion.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that state statute currently imposes onerous demands on the Department of Commerce and Consumer Affairs by requiring the permanent retention of student transcripts and a ten year retention of other records obtained from an institution that ceases to operate. Your Committee recognizes that when an institution is closing and deposits its records in paper format to the Department, space and funding limitations may prohibit the Department from receiving and retaining all of the documents in the manner currently required by law. Allowing the Department to use its discretion regarding the retention of records, except for transcripts, will allow the Hawaii Post-Secondary Education

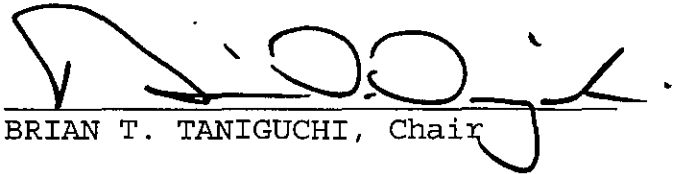


Authorization Program to carry out its responsibilities more effectively.

Your Committee has amended this measure by making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2040, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2040, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Respectfully submitted on
behalf of the members of the
Committee on Higher Education
and the Arts,



BRIAN T. TANIGUCHI, Chair



