STAND. COM. REP. NO. 2520

Honolulu, Hawaii

## MAR 0 3 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 Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2040, S.D. 1, 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 existing law requires the Department of Commerce and Consumer Affairs to permanently retain any student transcripts received from an institution that has ceased to operate. Other records obtained from such an institution must be retained for ten years. Your Committee further finds that if a closing institution deposits its records in paper format, the Department may be constrained by space and funding limitations and may be unable to receive and retain these records. The Department recognizes the importance of retaining student transcripts and other student records, but it has concerns that an institution may indiscriminately transfer large quantities of records into the Department's possession during the closure

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process. Accordingly, this measure authorizes the Department to use its discretion in how student transcripts will be retained and for the Director of the Department to determine how long other student records will be retained. The discretion allowed to the Department and its Director under this measure will enable the Hawaii post-secondary education authorization program to carry out its responsibilities more effectively.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2040, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Commerce, Consumer Protection, and Health,

ROSALYN H. BAKER, Chair

## The Senate Twenty-Eighth Legislature State of Hawai'i

## Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral:			Date:	
582040, SD1	HEA, CPH			2-24-16	
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 (Wi	R) Nay	Excused
BAKER, Rosalyn H. (C)					
KIDANI, Michelle N. (VC)					
ESPERO, Will					
IHARA, Jr., Les					
NISHIHARA, Clarence K.					
RUDERMAN, Russell E.					
SLOM, Sam					
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TOTAL		4			3
Recommendation:  Adopted  Not Adopted					
Chair's or Designee's Signature: Muhlle M Kulani					
Distribution:         Original         Yellow         Pink         Goldenrod           File with Committee Report         Clerk's Office         Drafting Agency         Committee File Copy					