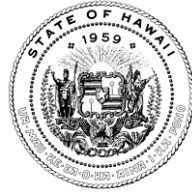


# SB2040 SD1

Measure Title:	RELATING TO POST-SECONDARY EDUCATION.
Report Title:	Post-Secondary Education; Authorization; Closed Institution Records
Description:	Clarifies 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 and other records requested and obtained by DCCA may be disposed of at the director's discretion. (SD1)
Companion:	<a href="#">HB1894</a>
Package:	None
Current Referral:	HEA, CPH
Introducer(s):	TANIGUCHI



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GOVERNOR  
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**PRESENTATION OF THE DEPARTMENT OF  
COMMERCE AND CONSUMER AFFAIRS**

**TO THE SENATE COMMITTEE ON  
COMMERCE, CONSUMER PROTECTION, AND HEALTH**

**TWENTY-EIGHTH STATE LEGISLATURE  
REGULAR SESSION OF 2016**

**FEBRUARY 26, 2016  
10:30 A.M.**

**TESTIMONY ON SENATE BILL NO. 2040, S.D. 1  
RELATING TO POST-SECONDARY EDUCATION**

**TO THE HONORABLE ROSALYN H. BAKER, CHAIR,  
AND TO THE HONORABLE MICHELLE N. KIDANI, VICE-CHAIR,  
AND MEMBERS OF THE COMMITTEE:**

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on Senate Bill No. 2040, S.D. 1, Relating To Post-Secondary Education. My name is Bobbi Lum-Mew, Program Administrator for the Department's Hawaii Post-Secondary Education Authorization Program ("HPEAP"). HPEAP offers the following testimony in strong support of this bill.

Senate Bill No. 2040, S.D. 1 clarifies that under HPEAP, when an institution ceases to operate, the student transcripts will be kept permanently in the form prescribed by the Director of the Department. Other records requested and obtained by the Department may be disposed of at the Department's discretion.

Currently, HRS Section 305J-13(d) provides that the Department shall permanently retain any student transcripts received from an institution that has ceased to operate, and other records obtained shall be retained for ten years. Pursuant to HRS Section 305J-13(a), all records deposited with the Department shall be in a form to be prescribed by the Director.

Although the Director has prescribed that all records be in electronic form, in a precipitous closure of an institution, there may not be sufficient time or funding for the institution to convert its records to electronic form. If the institution deposits its records in paper format, the Department may be unable to receive and retain the records due to space and funding limitations. An institution may close with very little notice. The Department's primary interest is the retention of student transcripts, but a closing institution may transfer very large quantities of records indiscriminately into the Department's possession during the closure process. This bill clarifies that only the records requested by the Department shall be deposited by the institution and provides that the Department may use its discretion in retaining any records from the institution, aside from transcripts.

In sum, this bill will enable HPEAP to carry out its responsibilities more effectively.

Thank you for the opportunity to testify in strong support of Senate Bill No. 2040, S.D. 1.