
A BILL FOR AN ACT

RELATING TO POST-SECONDARY EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 305J-13, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) If a private college or university, seminary, or
5 religious training institution under the jurisdiction of the
6 department ceases operating within the State, the institution,
7 its owner, or the owner's designee, and its governing board
8 shall be jointly and severally liable to deposit with the
9 department the institution's educational records requested by
10 the department in a form to be prescribed by the director."

11 2. By amending subsection (d) to read:

12 "(d) The department shall permanently retain any student
13 transcripts received pursuant to this section~~[-]~~ in a form
14 prescribed by the director. The department shall retain any
15 other records requested and obtained pursuant to this section
16 for ~~[ten years, provided that after this period,]~~ a time period
17 prescribed by the director; provided that at the time of
18 disposal, the department shall dispose of the records in a



1 manner that will adequately protect the privacy of any personal
2 information included in the records."

3 SECTION 2. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 3. This Act shall take effect upon its approval.

6



Report Title:

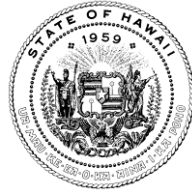
Post-Secondary Education; Authorization; Closed Institution
Records

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)

*The summary description of legislation appearing on this page is for informational purposes only and is
not legislation or evidence of legislative intent.*





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

**TO THE HOUSE COMMITTEE ON
HIGHER EDUCATION**

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

**MARCH 22, 2016
2:00 P.M.**

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

**TO THE HONORABLE ISAAC W. CHOY, CHAIR,
AND TO THE HONORABLE LINDA E. ICHiyAMA, 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.