
A BILL FOR AN ACT

RELATING TO POST-SECONDARY EDUCATION.

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

1 SECTION 1. The legislature finds that the status of post-
2 secondary educational institutions as for-profit entities should
3 be reflected in their advertisements in order to prevent
4 potential students from being misled.

5 The purpose of this Act is to require accredited and non-
6 accredited post-secondary educational institutions that are for-
7 profit entities to disclose in print and electronic media and
8 signage that they are for-profit businesses registered in the
9 State.

10 SECTION 2. Chapter 305J, Hawaii Revised Statutes, is
11 amended by adding a new section to be appropriately designated
12 and to read as follows:

13 "§305J- Disclosures. (a) Any private college or
14 university and any seminary or religious training institution
15 that is registered in the State as a for-profit entity shall
16 disclose in all catalogs, promotional materials, electronic
17 media, signage, and contracts for instruction, the fact that the



1 institution is a for-profit business. The disclosure shall be
2 made in a type size as large or larger than any other text in
3 the catalog, promotional material, electronic media, signage, or
4 contract for instruction, excluding the name of the for-profit
5 entity.

6 (b) Any promotional material, for any private college or
7 university and any seminary or religious institution, that
8 consists of an advertisement in a periodical published by a
9 person or entity that is not affiliated with the college,
10 university, seminary, or religious institution, shall disclose
11 that the college, university, seminary, or religious institution
12 is a for-profit business."

13 SECTION 3. Section 446E-2, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§446E-2 Disclosures.** (a) Any unaccredited institution
16 shall disclose in all catalogs, promotional materials,
17 electronic media, and contracts for instruction, the fact that
18 the institution is not accredited by any nationally recognized
19 accrediting agency listed by the United States Secretary of
20 Education. The disclosure shall be made in a type size as large
21 or larger than any other text in the catalog, promotional



1 material, electronic media, or contract for instruction,
2 excluding the name of the unaccredited institution [~~and shall~~
3 ~~be presented in a manner reasonably calculated to draw the~~
4 ~~attention of the reader~~]. If the unaccredited institution
5 includes in its catalogs, promotional materials, or contracts
6 for instruction any other information relating in any manner to
7 accreditation, or to accreditation by an agency not nationally
8 recognized by the United States Secretary of Education, the
9 disclosure required by this subsection shall be repeated on
10 every page on which the information appears. Where the
11 information is presented electronically, the disclosure shall be
12 made directly preceding or following the information. The
13 disclosure shall read as follows:

14 (Name of Degree Granting Institution) IS NOT ACCREDITED
15 BY AN ACCREDITING AGENCY
16 RECOGNIZED BY THE UNITED STATES
17 SECRETARY OF EDUCATION.

18 Note: In the United States, many licensing authorities
19 require accredited degrees as the basis for eligibility for
20 licensing. In some cases, accredited colleges may not
21 accept for transfer courses and degrees completed at



1 unaccredited colleges, and some employers may require an
2 accredited degree as a basis for eligibility for
3 employment.

4 (b) Where promotional material for an unaccredited
5 institution consists of an advertisement in a periodical
6 published by a person or entity that is not affiliated with the
7 unaccredited institution, the disclosure required in subsection
8 (a) may be abbreviated to state as follows: NOT ACCREDITED BY AN
9 AGENCY RECOGNIZED BY THE U.S. SECRETARY OF EDUCATION. The
10 disclosure required under this subsection shall be made in a
11 type size as large or larger than any other text in the
12 advertisement.

13 (c) If the unaccredited institution is also registered in
14 the State as a for-profit entity, the institution shall also
15 disclose in all catalogs, promotional materials, electronic
16 media, signage, and contracts for instruction, the fact that the
17 institution is a for-profit business. The disclosure shall be
18 made in a type size as large or larger than any other text in
19 the catalog, promotional material, electronic media, signage, or
20 contract for instruction, excluding the name of the unaccredited
21 institution.



1 (d) Any promotional material, for an unaccredited
2 institution that is registered in the State as a for-profit
3 entity, which consists of an advertisement in a periodical
4 published by a person or entity that is not affiliated with the
5 unaccredited institution, shall disclose that the unaccredited
6 institution is a for-profit business.

7 [~~e~~] (e) Every unaccredited institution subject to this
8 chapter shall keep true and accurate records of student
9 enrollment, courses, fees, and matriculation rates. These
10 records shall be retained for five years. Upon demand, these
11 records, and any other information requested or subpoenaed by
12 the director, shall be made available to the director."

13 SECTION 4. This Act does not affect rights and duties that
14 matured, penalties that were incurred, and proceedings that were
15 begun before its effective date.

16 SECTION 5. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Post-secondary Educational Institutions; Disclosure; For-Profit

Description:

Requires accredited and non-accredited post-secondary educational institutions that are for-profit entities to disclose in print and electronic media and signage that they are for-profit businesses registered in the State. (HB1320 HD1)

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

