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

**TO THE HOUSE COMMITTEE ON  
HIGHER EDUCATION**

**TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2017  
MARCH 14, 2017  
2:00 P.M.**

**TESTIMONY ON SENATE BILL NO. 945, S.D. 1  
RELATING TO POST-SECONDARY EDUCATION AUTHORIZATION**

**TO THE HONORABLE JUSTIN H. WOODSON, CHAIR,  
AND TO THE HONORABLE MARK J. HASHEM, VICE CHAIR,  
AND MEMBERS OF THE COMMITTEE:**

The Department of Commerce and Consumer Affairs (“Department”) appreciates the opportunity to testify on Senate Bill No. 945, S.D. 1, Relating to Post-Secondary Education Authorization. My name is Bobbi Lum-Mew, Program Administrator for the Department’s Hawaii Post-Secondary Education Authorization Program (“HPEAP”). HPEAP offers testimony in strong support of this bill and respectfully requests this Committee consider including the House amendments made to this bill’s companion measure, House Bill No. 1079, H.D. 2.

Senate Bill No. 945, S.D. 1 provides a mechanism to enable post-secondary degree-granting educational institutions within the state who are in the process of qualifying for full accreditation to receive provisional state authorization. The bill will

benefit students by providing a means of oversight so that the Department will be able to monitor that the accreditation-seeking institution is making satisfactory progress towards accreditation. Most, if not all, other states issue some type of temporary authorization or approval to institutions that are in the process of applying for accreditation.

Senate Bill No. 945, S.D. 1 also empowers the Director to grant a temporary waiver of the requirement for accreditation for good cause, and if necessary, for the protection of students facing imminent financial hardship, such as where the accrediting agency's recognition by the U.S. Department of Education is withdrawn. A situation such as this happened recently with the withdrawal of the recognition of the Accrediting Council for Independent Colleges and Schools (ACICS). While Hawaii was fortunate that none of its authorized institutions were accredited by ACICS, HPEAP has followed all the state regulator discussions to make sure that Hawaii is prepared for this situation in the future.

This bill will enable HPEAP to carry out its responsibilities more effectively. As previously noted, the Department appreciates the amendments made by the House Committee on Consumer Protection & Commerce to this measure's companion bill – House Bill No. 1079, H.D.2 – and we would respectfully ask this Committee to consider making similar revisions to this bill.

Thank you for the opportunity to testify in support of Senate Bill No. 945, S.D. 1.