

**ACT 226**

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S.B. NO. 2119

A Bill for an Act Relating to Universities and Colleges.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Chapter 446E, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

“§446E- Registration. Any unaccredited institution shall register with the department of commerce and consumer affairs in a manner established by rules adopted pursuant to chapter 91. The department may request, as part of the registration process, copies of any contracts, brochures, catalogues, or similar materials which are distributed to prospective students.

§446E- Prohibited practices. No unaccredited institution shall refer to registration under this chapter, compliance with the requirements of this chapter, or to any agency or employee of the State in a manner which suggests that the State licenses, approves, or regulates its operations.”

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

“~~[[[§446E-2]]]~~ Disclosure. (a) Any [degree granting institution which is not a fully accredited institution] unaccredited institution shall disclose in all [communications addressed to the general public or to potential students, and in contracts to furnish instruction,] catalogs, promotional materials and written contracts for instruction, the fact that the institution is not fully accredited by any nationally recognized accrediting agency or association listed by the United States Commissioner of Education. The unaccredited institution shall disclose whether it is provisionally accredited, or is a candidate for accreditation. The accrediting agency or association shall be identified. [In all written communications, and contracts for instruction, the] The disclosure shall be made in boldface print and in a manner reasonably calculated to draw the attention of the reader and shall read substantially as follows:

**(Name of Degree Granting Institution) IS NOT ACCREDITED  
BY A RECOGNIZED ACCREDITING AGENCY OR ASSOCIATION  
RECOGNIZED BY THE UNITED STATES COMMISSIONER OF  
EDUCATION.**

(b) Every unaccredited institution subject to this chapter shall, in accordance with the rules prescribed by the department, keep true and accurate records of student enrollment, courses, fees, and matriculation rates. Upon demand, these records shall be made available to the department for inspection. Such records shall be retained for a period of five years.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.<sup>1</sup>

SECTION 4. This Act shall take effect upon its approval.

(Approved June 25, 1990.)

Note

1. Edited pursuant to HRS §23G-16.5.