

A Bill for an Act Relating to the State Post-Secondary Education Commission.

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

SECTION 1. Chapter 305H, Hawaii Revised Statutes, is amended to read as follows:

**“[[[CHAPTER 305H]]]  
STATE POST-SECONDARY EDUCATION COMMISSION**

**PART I. GENERAL AND ADMINISTRATIVE PROVISIONS**

**[[[§305H-1]] Establishment of the state post-secondary education commission - membership, administration.** There is established a state post-secondary education commission for the State of Hawaii. The commission shall consist of the members of the board of regents of the University of Hawaii, the provision of section 78-4 notwithstanding, and four other members who shall be broadly and equitably representative of the general public, and public and private non-profit and proprietary institutions of post-secondary education in the State who shall be appointed in accordance with section 26-34. The commission shall be placed within the University of Hawaii for administrative purposes and its administrative officer shall be the president of the University of Hawaii. The commission may appoint necessary staff members in accordance with applicable policies and procedures of the University of Hawaii.

**§305H-2 Commission's powers and authority.** The commission may cooperate with the federal government in order to qualify the State to receive funds made available under the Higher Education Act of 1965, as amended by P.L. 92-318, and as it may be amended from time to time and in addition may serve as the state agency for the receipt of federal funds where the federal legislation dealing with higher education or post-secondary education requires as a condition of state receipt of such funds, the designation of a state agency which is broadly representative of the general public and of post-secondary education in the State and where agencies other than the commission created by this chapter may not qualify. The commission shall establish appropriate rules and regulations not inconsistent with this chapter as may be required to administer [the receiving and disbursement of funds.] this chapter. The rules shall be adopted in accordance with chapter 91.

No [such] funds appropriated by the legislature may be used to aid a person attending an institution not owned or exclusively controlled by the State or a department of the State or to pay for any staff work distributing federal or private funds to students attending such schools. The maximum amount of any grant awarded under the Hawaii state incentive grant program shall be equal to the maximum allowed by federal law.

**PART II. HAWAII STATE POSTSECONDARY REVIEW PROGRAM**

**§305H- Findings and purpose.** The legislature finds that the Higher Education Amendments of 1992, P.L. 102-325, established the state postsecondary review program by adding a new Part H, Subpart 1, to Title IV of the Higher Education Act of 1965. The state postsecondary review program ensures

that institutions participating in Title IV student financial assistance programs meet appropriate standards of educational quality and integrity by increasing the accountability of those institutions through expanded state oversight of the institutions. In order for the State to continue receiving all Title IV student financial assistance funds, the State's postsecondary review entity must conduct or coordinate the review of institutions of higher education in the State to determine their eligibility to receive Title IV student financial assistance funds and, further, to establish and administer procedures for receiving and responding to complaints from students, faculty, and others regarding institutions of higher education in the State. The state postsecondary review program authorizes the United States Secretary of Education to enter into agreements with the states. These agreements designate one state postsecondary review entity in each state to be responsible for the conduct or coordination of review of institutions and, also, provide federal funds to each state postsecondary review entity for performing the functions required by these agreements. No state will be required to perform the review functions of the state postsecondary review program if the United States Congress does not appropriate funds for the program.

Accordingly, the purpose of this part is to expressly authorize the commission to cooperate with the federal government in carrying out the purposes of the state postsecondary review program in the State.

**§305H- Administration of the Hawaii state postsecondary review program.** The commission shall serve as the state postsecondary review entity for the State. The commission is hereby authorized to cooperate with the federal government in carrying out the purposes of the state postsecondary review program, as established by Title IV, Part H, Subpart 1, of the Higher Education Act of 1965, as amended by the Higher Education Amendments of 1992, P.L. 102-325, and as it may be amended from time to time, and to do all things necessary to entitle the State to continue to receive the benefits of the Title IV student financial assistance programs. The commission shall represent the State on all matters in reference to the state postsecondary review program.

**§305H- Agreement with the federal government; federal reimbursement of the State's postsecondary review costs.** The commission is authorized to enter into agreements with the federal government to carry out the purposes of the state postsecondary review program. To the extent authorized by law, the commission shall seek reimbursement from the federal government for the costs of performing the functions required by such agreements with the federal government.

**§305H- Review standards.** In consultation with institutions of higher education in the State and in a manner consistent with the laws and constitution of the State, the commission is authorized to establish appropriate review standards for the determination of the eligibility of institutions in the State to receive Title IV student financial assistance funds. The commission shall conduct or coordinate the review of institutions of higher education in the State in accordance with these review standards and may notify the federal government of the findings.

**§305H- Procedures for complaints concerning institutions of higher education.** In consultation with institutions of higher education in the State, the commission is authorized to establish and administer procedures for

receiving and responding to complaints from students, faculty, staff, and others concerning institutions of higher education in the State.

**§305H- Cooperation with other state agencies.** The commission may be assisted by other state agencies, including but not limited to the University of Hawaii, the department of education, and the department of commerce and consumer affairs."

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

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

(Approved June 21, 1994.)