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

**TO THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE**

**TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2017
February 22, 2017
2:01 P.M.**

**TESTIMONY ON HOUSE BILL NO. 1079, H.D. 1
RELATING TO POST-SECONDARY EDUCATION AUTHORIZATION**

**TO THE HONORABLE ANGUS L.K. MCKELVEY, CHAIR,
AND TO THE HONORABLE LINDA ICHiyAMA, VICE CHAIR,
AND MEMBERS OF THE COMMITTEE:**

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on House Bill No. 1079, H.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 the following testimony in strong support of this bill with a few suggestions for amendments.

House Bill No. 1079, H.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.

House Bill 1079, H.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imminent financial hardship, such as where the accrediting agency's recognition by the U.S. Department of Education is withdrawn.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.

HPEAP offers a few suggestions for amendments to H.B. 1079, H.D. 1. On page 1, line 14, the Department requests that the word "for" be reinserted following the word "candidate". Also, the term "candidate" was substituted for "institution" in a number of places throughout the measure. The Department asks the Committee to consider changing the first definition in Section 2 on page 5, line 15, from "'Candidate for accreditation'..." to "'Candidate for accreditation' or 'candidate'..."

This bill will enable HPEAP to carry out its responsibilities more effectively.

Thank you for the opportunity to testify in strong support of House Bill No. 1079, H.D. 1 with suggested amendments.