

JAN 26 2011

S.B. NO. 1382

A BILL FOR AN ACT

RELATING TO EDUCATION.

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

1 SECTION 1. In October 2010, the United States Department
2 of Education issued new regulations for programs authorized
3 under Title IV of the Higher Education Act of 1965, as amended,
4 to hold programs accountable for preparing students for gainful
5 employment, protect students from misleading recruiting
6 practices, ensure that only eligible students receive financial
7 aid, and strengthen federal student aid programs at for-profit,
8 non-profit, and public institutions. The regulations also
9 include requirements for state authorization of institutions
10 that offer educational programs beyond secondary education for
11 purposes of federal program eligibility.

12 The state post-secondary education commission, established
13 under section 304A-3151, Hawaii Revised Statutes, qualifies the
14 State to receive funds made available under the Higher Education
15 Act of 1965, as amended, and may serve as the state agency for
16 the receipt of federal funds when necessary. However, the
17 commission does not authorize institutions to operate
18 educational programs beyond secondary education, as may be



1 required under new federal regulations. Further, the commission
2 is established under the University of Hawaii for administrative
3 purposes. The legislature finds that either the establishment
4 of a separate entity or the placement of the commission under a
5 different agency may result in an entity that is more broadly
6 representative of post-secondary education in the State and more
7 appropriate to serve as the authorizing state agency for the
8 diverse institutions that operate educational programs beyond
9 secondary education.

10 Due to the July 1, 2011 effective date of the new
11 regulations, the State will most likely be unable to satisfy all
12 of the requirements relating to state authorization by the
13 imminent deadline. The United States Department of Education
14 has provided the opportunity for states and institutions to
15 receive an extension of the effective date for certain
16 regulations, and the legislature finds that the State should
17 proceed to request any necessary extensions. In the meantime,
18 it is the intent of the legislature to proactively seek
19 solutions by determining what actions and changes are required
20 for the State to come into compliance with the new regulations.

21 The legislature further finds that the need to examine
22 state authorization of institutions offering educational



1 programs at the post-secondary education level presents an
2 opportunity to also examine existing duties of the State that
3 are related to the licensing or authorization of other
4 educational institutions in the State and their administrators
5 and instructors. Specifically, the legislature finds that
6 Hawaii is the only state that does not license principals. The
7 legislature also finds that the Hawaii teacher standards board,
8 which has jurisdiction over the issuing, renewing, revoking,
9 suspending, and reinstating of teachers' licenses, has been
10 audited on more than one occasion with findings that include a
11 lack of oversight, accountability, clearly defined program
12 purpose, and timely completion of its duties.

13 Although the legislature and the Hawaii teacher standards
14 board have made efforts to improve the operations of the Hawaii
15 teacher standards board, the legislature finds that it is
16 appropriate at this time to consider whether functions such as
17 the licensing of principals and the existing functions of the
18 Hawaii teacher standards board should be consolidated and tasked
19 to one state agency that would be responsible for the licensing
20 and authorization of all educational institutions in the State
21 and administrators and instructors of those institutions, as is
22 deemed appropriate or necessary.



1 Accordingly, the purpose of this Act is to direct the
2 legislative reference bureau to:

3 (1) Examine the Higher Education Act of 1965, as amended,
4 and regulations pursuant to that Act and make
5 recommendations to ensure the State's compliance with
6 provisions relating to the authorization of
7 institutions that offer educational programs beyond
8 secondary education; and

9 (2) Examine existing functions relating to the licensing
10 or authorization of any educational institution in the
11 State, and administrators and instructors thereof, and
12 make recommendations as to whether these functions
13 should be consolidated and tasked to one state agency
14 that would be responsible for the licensing and
15 authorization of all educational institutions in the
16 State and their related operations.

17 SECTION 2. The legislative reference bureau shall examine
18 the Higher Education Act of 1965, as amended, and regulations
19 pursuant to that Act to determine, in consultation with the
20 University of Hawaii and the department of education, what
21 actions and changes are required for the State to comply with
22 federal laws and regulations relating to the authorization of



1 institutions to operate educational programs beyond secondary
2 education and to examine existing functions relating to the
3 licensing or authorization of any educational institution in the
4 State, and administrators and instructors thereof, and make
5 recommendations as to whether these functions should be
6 consolidated and tasked to one state agency that would be
7 responsible for the licensing and authorization of all
8 educational institutions in the State and their related
9 operations.

10 The legislative reference bureau shall consider the
11 following information and options, including:

12 (1) Existing state laws and state entities, such as the
13 state post-secondary education commission and the
14 Hawaii teacher standards board, and their existing
15 functions and duties to determine whether the laws or
16 entities may assist or may be amended, reorganized, or
17 reassigned duties to assist the State in complying
18 with the federal laws and regulations;

19 (2) Whether to establish a new state entity that will
20 legally authorize or license institutions to offer
21 postsecondary education in the State for purposes of
22 federal program eligibility and, if so:



- 1 (A) The scope of duties and responsibilities for that
- 2 entity, including a determination of whether the
- 3 State should license principals and vice
- 4 principals and include that licensing function
- 5 and any licensing-related duties under the Hawaii
- 6 teacher standards board as responsibilities of
- 7 that new state entity;
- 8 (B) Appropriate membership for that entity;
- 9 (C) The appropriate administrative placement of that
- 10 entity in a state agency and whether related
- 11 functions that are currently under programs or
- 12 other entities, such as the Hawaii Western
- 13 Interstate Commission for Higher Education,
- 14 veterans affairs, and the Hawaii teacher
- 15 standards board, should be consolidated within or
- 16 transferred to that entity;
- 17 (D) Staffing and other resources required for that
- 18 entity and performance of its required functions;
- 19 and
- 20 (E) Funding sources for this entity;



1 (3) The systems, laws, and procedures that other
2 jurisdictions have established to comply with the
3 federal laws and regulations;

4 (4) All institutions that would require authorization of
5 the State pursuant to the Higher Education Act of
6 1965, as amended, and relevant federal regulations;
7 and

8 (5) Any new or amended legislation or administrative rules
9 necessary to carry out the recommendations of the
10 bureau.

11 SECTION 3. The legislative reference bureau, in
12 consultation with the University of Hawaii and the department of
13 education, shall submit a report to the legislature of its
14 findings and recommendations, including proposed legislation, no
15 later than twenty days prior to the convening of the regular
16 session of 2012.

17 SECTION 4. This Act shall take effect upon its approval.
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INTRODUCED BY:

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Report Title:

Education; State Authorization; Federal Compliance

Description:

Directs the legislative reference bureau to examine the Higher Education Act of 1965, as amended, and regulations pursuant to that Act, make recommendations to ensure the State's compliance with provisions relating to the state authorization of institutions that offer educational programs beyond secondary education, and make recommendations as to whether existing functions relating to the licensing or authorization of any educational institutions in the State, and administrators and instructors thereof, should be consolidated and tasked to one state agency that would be responsible for the licensing and authorization of all educational institutions in the State and their related operations.

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

