

ACT 22

H.B. NO. 761

A Bill for an Act Relating to Unaccredited Degree Granting Institutions.

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

SECTION 1. Section 446E-2, Hawaii Revised Statutes, is amended to read as follows:

“§446E-2 Disclosures. (a) Any unaccredited institution shall disclose in all catalogs, promotional materials, and contracts for instruction, the fact that the institution is not accredited by any nationally recognized accrediting agency listed by the United States Secretary of Education. The disclosure shall be made in a type size as large or larger than any other text in the catalog, promotional material, or contract for instruction, excluding the name of the unaccredited institution, and shall be presented in a manner reasonably calculated to draw the attention of the reader. If the unaccredited institution includes in its catalogs, promotional materials, or contracts for instruction any other information relating in any manner to accreditation, or to accreditation by an agency not nationally recognized by the United States Secretary of Education, the disclosure required by this subsection shall be repeated on every page on which the information appears. Where the information is presented electronically, the disclosure shall be made directly preceding or following the information. The disclosure shall read as follows:

(Name of Degree Granting Institution) IS NOT ACCREDITED
BY AN ACCREDITING AGENCY
RECOGNIZED BY THE UNITED STATES
SECRETARY OF EDUCATION.

Note: In the United States, many licensing authorities require accredited degrees as the basis for eligibility for licensing. In some cases, accredited colleges may not accept for transfer courses and degrees completed at unaccredited colleges, and some employers may require an accredited degree as a basis for eligibility for employment.

(b) Where promotional material for an unaccredited institution consists of an advertisement in a periodical published by a person or entity that is not affiliated with the unaccredited institution, the disclosure required in subsection (a) may be abbreviated to state as follows: NOT ACCREDITED BY AN AGENCY RECOGNIZED BY THE U.S. SECRETARY OF EDUCATION. The disclosure required under this subsection shall be made in a type size as large or larger than any other text in the advertisement.

~~(b)~~ (c) Every unaccredited institution subject to this chapter shall keep true and accurate records of student enrollment, courses, fees, and matriculation rates. These records shall be retained for five years. Upon demand, these records, and any other information requested or subpoenaed by the director, shall be made available to the director.”

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

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

(Approved April 25, 2001.)