



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: 586-2850
Fax Number: 586-2856
cca.hawaii.gov

CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

**HAWAII POST-SECONDARY EDUCATION
AUTHORIZATION PROGRAM (HPEAP)**

HAWAII STATE AUTHORIZATION RECIPROCITY AGREEMENT (SARA) POLICIES

March 2022

These policies incorporate, update, and replace previous versions of the Hawaii SARA Policies.

Version Updates

Pursuant to Hawaii Revised Statutes (HRS) §305J-6(a), the department shall administer the provisions of this chapter and any administrative rules, policies, and procedures adopted by the director. The Hawaii SARA Policies were adopted and made effective on May 17, 2016, the date that Hawaii was approved as a SARA state.

On January 10, 2020, the Hawaii SARA Policies were modified to add the sections on professional licensure disclosures and appeals from institutions.

This March 2022 version modifies the section related to the complaints process to clarify that HPEAP shall try to facilitate the resolution of any complaint involving a SARA institution in Hawaii and not the home state of the student.

I. Background

HRS Chapter 304A-3201 states that the State of Hawaii has declared its adherence to the Western Regional Education Compact. As provided in HRS §304A-3202, Article III of the Western Regional Education Compact established the Western Interstate Commission for Higher Education (WICHE). Per HRS §304A-3201.6, the Hawaii WICHE was established within the University of Hawaii for administrative purposes only.

Pursuant to HRS §305J-1, there is established a post-secondary education authorization program to be administered by the director of commerce and consumer affairs.

Pursuant to HRS §305J-16, the director may enter into any post-secondary education authorization reciprocity agreement; provided that the authorization standards of the reciprocity agreement shall be comparable to or exceed the authorization requirements of this chapter and any applicable administrative rules.

Therefore, the director has the authority to enter into an agreement, on behalf of the State of Hawaii, to join the WICHE State Authorization Reciprocity Agreement (W-SARA). The state portal entity is the department's Hawaii Post-Secondary Education Authorization Program (HPEAP).

II. SARA Participation Requirements and Policies Adopted

The director adopts and incorporates herein the participation requirements and policies set forth in the "Unified State Authorization Reciprocity Agreement" and the SARA Policy Manual of the National Council for State Authorization Reciprocity Agreements (NC-SARA).

III. State and Institutional Requirements Under SARA

A. Applications. Accredited degree-granting post-secondary educational institutions which operate from a principal campus or central administrative unit domiciled in Hawaii and which are authorized under HRS Chapter 305J may apply to HPEAP for approval to deliver distance education programming to students located in other SARA member states. Institutions that seek participation in SARA may do so by submitting an application in the form required under NC-SARA. Institutions, including any seminary or religious training institution as defined in HRS §305J-2, shall provide documentation that they are accredited by a federally-recognized accrediting agency.

Institutions must also demonstrate compliance with the financial integrity requirements under SARA and HRS Chapter 305J of having a federal composite financial responsibility score of at least 1.5. Seminaries or religious training institutions shall also demonstrate financial integrity under SARA.

Institutions that have a federal composite financial responsibility score between 1.0 to 1.5 may be considered for provisional approval as described in the SARA Policy Manual. However, it is up to HPEAP to determine, at its discretion, if the institution's financial condition is sound.

Institutions shall also provide the following in their applications:

- Documentation demonstrating compliance with the provisions of the Council of Regional Accrediting Commissions (C-RAC) "Interregional Guidelines for the Evaluation of Distance Education (Online Learning)";
- Documentation informing students whether courses or programs potentially leading to professional licensure actually meet state licensing requirements. Each institution shall determine whether the course or program meets the requirements for licensure in the state where the student is located and provide that information in writing. If the institution cannot confirm whether the course or program meets requirements for professional licensure in the student's state, it shall provide current contact information for any applicable licensing boards and advise the student to determine whether the program meets licensure requirements;
- Documentation of its complaints process. Institutions shall provide students enrolled in courses under SARA provisions, its complaint resolution policies and procedures in writing. Each institution shall also provide students with contact information for HPEAP's complaints process if the student is not satisfied with the outcome of the institutional process. The information provided should include that the complaint must be filed with HPEAP within two years of the incident about which the complaint is made; and
- Documentation of its disaster recovery plan. Institutions shall provide to HPEAP a written plan that assures students will receive services for which they have paid or reasonable financial compensation for those not received in the event of an unanticipated closure of the institution. The plan shall include procedures to preserve student records and to provide student records in the form prescribed by the director.

B. Complaints Process

The department's student complaints process is provided in HRS §§305J-17 and 305J-11.5 and in Hawaii Administrative Rules (HAR) §16-255-5. Complaints regarding student grades or student conduct violations are governed by institutional policy. The director notes specifically, per HRS §305J-17(c), the department does not have jurisdiction to consider complaints that infringe on the academic or religious freedom of or question the curriculum content of an institution. However, complaints reviewable under SARA include allegations by a distance education student of harm caused

because an institution operated contrary to practices set forth in the C-RAC guidelines. Further, per HRS §305-17(b), the department may investigate complaints of possible violations of the chapter or rules based on any information the department receives concerning possible violations.

Pursuant to HRS §305-17(d), if a complaint warrants investigation, the department shall notify the institution against which the complaint is filed of the complaint. The institution has thirty days to respond to the complaint and may attempt to resolve the complaint. Further investigation, consideration and resolution, if necessary, of complaints that are timely received and not resolved at the institutional level resides with the department.

When a complaint involving a Hawaii-based SARA institution is made to the department, HPEAP shall notify the SARA portal entity for the state in which the student is located of receipt of the complaint. If the department receives a complaint from a Hawaii student involving an out-of-state SARA institution, the department may assist the SARA portal entity in that state as needed.

C. Disaster Recovery Plan. Pursuant to HRS §305J-13 and HAR §16-255-6, if an institution ceases to operate, the student transcripts and other requested records, if any, are to be deposited in an electronic form to the department. Specifically, student transcript records shall be deposited electronically as either PDF files which are the actual printable student transcripts or tab delimited text files.

In the unanticipated closure of an institution, the department may request assistance from the institution's accreditor as the accreditor applies its standards under 34 CFR §602.24(c) of federal requirements for catastrophic events. The department's rules pertaining to procedures for closures of institutions can be found in HRS §305J-15 and HAR §16-255-7. The department shall apply its policies and procedures for catastrophic events consistently and equally within each sector to students of any state.

D. Reporting. Institutions shall annually submit to the NC-SARA any data requested by NC-SARA, including the number of students enrolled in the institution via distance education delivered outside the state, reported by state, territory, or district in which the student is located. Institutions shall also submit reports as HPEAP may request on occasion to respond to inquiries from SARA authorities in other states, WICHE, or NC-SARA.

The department shall comply with any requirements for reporting to NC-SARA the number and disposition of complaints.

E. Fees. Institutions shall pay to NC-SARA the annual SARA participation fee as required by NC-SARA.

Institutions shall also pay to the department its annual fee to help cover the department's cost of administering SARA. The department may establish a surety bond requirement if it determines it is needed to better protect consumers.

F. Appeals from Institutions. Pursuant to HRS §305J-11.5, institutions which are denied initial participation or renewal of participation by HPEAP may within fifteen days of the receipt of notification of the denial or of intent to suspend or terminate any authorization, request an administrative hearing for review pursuant to HRS Chapter 91. During any such appeal, the institution's status as a SARA participating (or non-participating) institution remains unchanged.

APPROVED:



CATHERINE P. AWAKUNI COLÓN
DIRECTOR

Mar 21, 2022

DATE