



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Office of Consumer Protection

DCCA News Release

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STATE OFFICE OF CONSUMER PROTECTION OBTAINS A JUDGMENT IN HAWAII COLLEGE OF PHARMACY CASE

HONOLULU -- The State's Office of Consumer Protection (OCP) announced today that it has successfully obtained a judgment against the Hawaii College of Pharmacy, and its operator David C. Monroe.

The OCP filed suit against Pacific Educational Services Company dba the Hawaii College of Pharmacy and its principals David C. Monroe and Denise A. Criswell in July 2005. The lawsuit alleged the school violated state laws regulating unaccredited universities and prohibiting deceptive trade practices.

The allegations against the school included:

- Misrepresenting its accreditation
- Failing to make proper disclosures
- Improperly suggesting that it had state approval
- Unlawfully retaliating against students who filed complaints with the state

Under the terms of the judgment, entered by the First Circuit Court, Pacific Educational Services Company and its founder David C. Monroe are liable for approximately \$6.5 million in restitution to about 300 students who attended the school, and others who paid deposits (but deferred attendance). In addition, they are also each liable for \$7.5 million in civil penalties to the State of Hawaii. Moreover, the company, Monroe and Criswell are barred from ever owning, operating, managing or conducting business in Hawaii until all payments have been made.

OCP and the co-receivers appointed by the court have collected in excess of \$1.5 million in monies, which will be distributed on a pro rata basis to the victims in this case.

“We are pleased to have stopped this school’s operations, and to have prevented further harm to its students,” said OCP Executive Director Stephen Levins. “The Office of Consumer Protection simply will not tolerate any violations of Hawaii’s unaccredited school law.” During the past four years OCP has sued approximately 60 schools who have violated Hawaii laws.

The judgment is posted in its entirety on DCCA’s website at <http://www.hawaii.gov/dcca/areas/ocp/udgi/lawsuits/hicp/>.

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