

BUREAU FOR PRIVATE POSTSECONDARY EDUCATION

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In exercising its powers, and performing its duties, the protection of the public shall be the bureau's highest priority. If protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.

— Education Code § 94875

The Bureau for Private Postsecondary Education (BPPE) is responsible for oversight of private postsecondary educational institutions. All non-exempt private postsecondary educational institutions operating in California, regardless of the school's actual physical location, must be approved by BPPE to operate in the state. The Bureau regulates over 1,000 institutions. BPPE's enabling act, the California Private Postsecondary Education Act of 2009, is codified at Education Code section 94800 et seq. The powers and duties specified in the Act are vested in the Director of the Department of Consumer Affairs (DCA), who in turn delegates that responsibility to BPPE as a departmental bureau. BPPE's regulations are in Division 7.5, Title 5 of the California Code of Regulations (CCR).

Operating within, and as a part of, the larger DCA, the law establishes BPPE's purpose as (a) protecting students and consumers against fraud, misrepresentation, or other business malpractices at postsecondary institutions that may lead to loss of student tuition and related educational funds; (b) establishing and enforcing minimum standards for ethical business practices and the health, safety, and fiscal integrity of postsecondary institutions; and (c) establishing and enforcing minimum standards for instructional quality and institutional stability for all students.

As of 2015, private for-profit schools received an average of 86% of their revenue from federal grants and loans by the U.S. Department of Education (USDOE). In addition to the federal grants and

loans, private for-profits received an increase in federal GI bill funding from the U.S. Department of Veterans Affairs. Title 38 of the United States Code provides veterans with public funding for tuition payments as well as some living expenses. The combined sources of federal funding going to for-profit institutions amount to around \$20 billion a year in taxpayer funds.

Further complicating California’s regulation of the private for-profit industry are the remaining states’ substantial delegation of their regulatory function of the private for-profit industry under the “State Authorization Reciprocity Agreements” (SARA). This system essentially allows a school to choose its state regulator and then arrange reciprocal approval by other states— thus bypassing performance requirements and other regulations at the state level. To date, California is the only state declining to join SARA. Its entry would substantially impact BPPE’s regulatory powers, particularly given the growth of distance learning—where California students may be enrolled in schools with a *situs* in another state. Effective July 1, 2017, certain out-of-state private schools that enroll California residents as students must register with BPPE, pay a \$1,500 registration fee, and submit required [documentation](#).

The Bureau has the authority to cite, revoke, suspend, place on probation, or bring an action for equitable relief against any approved institution if it violates applicable law. Its jurisdiction includes all private educational institutions, including private non-profits. However, most of its regulatory focus has been on the for-profit sector.

BPPE maintains and administers the [Student Tuition Recovery Fund \(STRF\)](#) to mitigate economic losses suffered by a student when institutions close, fail to pay or reimburse federal loan proceeds or fail to pay judgments against them. The STRF is funded through student fees. In 2022, STRF increased rates beginning in April 2022. Statutes require institutions to charge \$2.50 cents per \$1,000 of institutional charges to be paid into the STRF.

BPPE also maintains the [Office of Student Assistance and Relief](#) (OSAR), which conducts outreach and provides current and past students of private colleges information about their rights, how to file a school complaint, and about resources available to them—including potential reimbursement from the STRF. OSAR helps students navigate their financial future following a school closure or unlawful activities of the private college they attend and provides free one-on-one consultations to help students at for-profit schools maximize their economic relief benefits. The chief of OSAR is statutorily required to attend, testify, and answer questions at each Advisory Committee meeting.

To implement its standards, BPPE maintains an Enforcement Section to handle complaints, investigations, and other actions. The Bureau also reviews private postsecondary institution applications for initial approval and subsequent renewals to operate within California.

As a bureau within DCA, BPPE is not governed by a multi-member board. BPPE operates under the oversight of a Bureau Chief appointed by the Governor and under the direct authority of the DCA Director. The Bureau Chief is Deborah Cochrane. In addition to the Bureau Chief, BPPE has a statutorily mandated Advisory Committee tasked with advising BPPE on matters related to private postsecondary education and the administration of the Bureau’s governing statutes, including an annual review of the fee schedule, licensing, and enforcement.

The 12 members of the Advisory Committee must include three consumer advocates, one each appointed by the DCA Director, the Senate Rules Committee, and the Assembly Speaker; two current or past students of private postsecondary institutions appointed by the DCA Director; three representatives of private postsecondary institutions, appointed by the DCA Director; two public members, one each appointed by the Senate Rules Committee and the Assembly Speaker; and two non-voting *ex officio* members (the chairs of the Senate and Assembly policy committees with jurisdiction over legislation relating to BPPE).

At this writing, there are two vacancies on the Advisory Committee; one to be appointed by the DCA Director for a past student of an institution, and one public member to be appointed by the Senate Rules Committee.

RULEMAKING

The following is a status update on recent rulemaking proceedings BPPE has initiated:

- **Repeal of Ability-to-Benefit Language:** On January 27, 2023, the Office of Administrative Law (OAL) [approved](#) BPPE’s proposal to repeal the “ability-to-benefit” language in BPPE’s regulations. The Bureau originally published [notice](#) on September 16, 2023, with the intent to modify its text to eliminate all references to “ability-to-benefit” tests by amending CCR sections 71210, 7145, 71770, and 71920. [[28:1 CRLR 58](#)] The regulation is effective as of April 1, 2023.

- **Educational Programs Under 32 Hours in Length:** On February 10, 2023, the OAL [approved](#) BPPE’s proposal to create an exception to the definition of “educational program,” which amends CCR sections 71710 and 71810 to define the phrase “designed to lead to employment” to ensure that programs not designed to lead to employment disclose that fact to consumers and updates the catalog requirements for educational programs. [[28:1 CRLR 58–59](#)] The Bureau originally published [notice](#) on November 11, 2022. The approved proposal defines the phrase “designed to lead to employment.” The regulation is effective as of April 1, 2023.

- **Registration and Re-registration of Out-of-State Institutions:** On February 10, 2023, OAL [approved](#) BPPE’s proposal to amend sections 71396, 71397, and 71298 of the CCR, to include provisions that create guidelines for the decision to approve, conditionally approve, or deny Out-of-State applications with the goal that Out-of-State institutions would be aware of the legal requirements they must abide by if they want to operate an institution in California. [[28:1 CRLR 55](#)] The Bureau originally published [notice](#) on November 11, 2022. The regulation is effective as of February 10, 2023.

● **Substantive Change Approval:** On February 10, 2023, the OAL [approved](#) BPPE’s proposal to amend and add sections to the Education Code that would aid in implementing changes made to [SB 802 \(Roth\) \(Chapter 552, Statutes of 2021\)](#). [\[27:1 CRLR 177\]](#) The Bureau originally published [notice](#) of the proposal on November 11, 2022. The proposal amended Division 7.5 of Title 5 of the CCR, amended sections 71650, and added sections 71652 and 71653 by adding four new types of substantive changes, including the requirement for institutions to submit applications to the Bureau. [\[28:1 CRLR 59\]](#) The applications are necessary if the institution plans to alter educational objectives, like increasing or decreasing the hours required to complete an educational program. [\[28:1 CRLR 56\]](#) The regulation is effective as of April 1, 2023.

ADJUDICATION

Assessments of Fines and/or Orders of Abatement

BPPE filed major citations with the following institutions requiring the payment of fines \$1,000 and over.

- ABC Technical College (March 3, 2023)
- Academy of Truck Driving (April 7, 2023)
- Ace Evergreen Academy (March 7, 2023)
- Advanced Archilli Institute (March 20, 2023)
- AGU Technology Institute (April 5, 2023)
- American English College (April 10, 2023)
- American Grooming Academy (March 27, 2023)
- American Institute of Education (March 1, 2023)
- American Heritage University of Southern California (April 7, 2023)
- Bay Area Hair Institute (March 24, 2023)
- Bentley-Forbes Security Training Academy, Inc. (February 9, 2023)
- Bergin College of canine Studies (March 24, 2023)
- CA Trade Academy (March 28, 2023)
- Cal America Education Institute (March 28, 2023)
- California College of Business, Science & Technology (March 29, 2023)
- California Dental Institute, Inc. (March 7, 2023)
- California Electrology Academy (March 13, 2023)
- California Institute of Medical Science (March 29, 2023)

- California School of Health Sciences (March 29, 2023)
- California South Bay University (April 7, 2023)
- Clinical Training Institute (March 8, 2023)
- College of the West (March 29, 2023)
- Columbia West College (March 7, 2023)
- Computer Institute of Technology (March 11, 2023)
- Cosmotek College (March 7, 2023)
- Cypress Health Institute (March 21, 2023)
- Delta International University DIUCA (March 9, 2023)
- Divina Cosmetology & Barbering Academy (March 27, 2023)
- DNA Phlebotomy School, LLC (February 27, 2023)
- Dolphin Trucking School (March 16, 2023)
- Emperor's College of Traditional Oriental Medicine (March 9, 2023)
- Giligia College (March 16, 2023)
- Global Synergy University (February 27, 2023)
- Golden State University (April 13, 2023)
- Green Valley Truck School (March 28, 2023)
- Hi-Desert Truck Driving School (March 1, 2023)
- Hussian College/Studio School (December 29, 2022)
- International University of California (February 13, 2023)
- JB Truck Driving School (March 7, 2023)
- Jiffy's Truck Driving School, LLC (March 14, 2023)
- L.A. Vocational Institute (February 9, 2022), (March 15, 2023)
- Massage and Bodywork Education Center (MBEC) (March 17, 2023)
- McKinnon Body Therapy Center (March 17, 2023)
- Media Career Academy of Los Angeles (April 11, 2023)
- Micro-Easy Vocational Institute (March 6, 2023)
- Modesto Technical College (March 29, 2023)
- Montessori Western Teacher Training Program (March 2, 2023), (March 14, 2023)
- Montrose Academy (March 16, 2023)
- Northern California School of Sleep Medicine (April 5, 2023)
- Pacific American University (March 16, 2023)
- Pilot Trucking School (March 17, 2023)
- Prentice James Career College (April 5, 2023)
- Quest Nursing Education Center (March 21, 2023)
- School for Self-Healing (March 16, 2023)
- Shin Shin Training Center (March 3, 2023)
- Southcoast Welding Institute (March 17, 2023)
- Southwestern California University (March 30, 2023)
- Sterling and Associates, Inc. dba Security Academy & Training Center (April 5, 2023)
- Studio Arts (March 14, 2023)
- The Brothers & Sisters BarberCosmo Academy (April 5, 2023)
- The Reiss-Davis Graduate School (March 14, 2023)
- Transportation Guidance & Assistance Truck Driving School (March 7, 2023)
- Vista IT Training (March 20, 2023)

- Vollmer Institute (March 15, 2023)
- Vollmer University (March 20, 2023)

Accusations of Violations

BPPE filed accusations requesting revocation or suspension of previous approvals to operate against the following institutions:

- Advanced College: [Emergency Decision](#) (December 8, 2022); [Accusation](#) [Ex. A to Order] (December 19, 2022); [Default Decision and Order](#) (January 20, 2023)
- American Beauty Institute: [Statement of Issues](#) (March 2, 2023)
- CA Trade Academy: [Decision and Order](#) (January 4, 2023)
- High Desert EMT: [Accusation](#) (February 2, 2023)
- Micro-Easy Vocational Institute: [First Amended Statement of Issues](#) (March 3, 2023)
- Milpitas Massage College: [Accusation](#) (February 24, 2023)
- Olivet University: [Accusation](#) (March 17, 2023)
- Saint Joseph’s School of Nursing: [Decision and Order](#) (February 5, 2023)

Statements of Issues to Deny Approval

BPPE filed statements of issues against the following institutions to deny approvals to operate, alleging that the institutions failed to file the required documentation compliant with the California Private Postsecondary Education Act of 2009 and other applicable laws:

- School of Healing Touch: [Approval to Operate Denied](#) (January 5, 2023)
- South Bay Massage College: [Stipulated Surrender of Approval to Operate and Order](#) (February 9, 2023)