

**DEPARTMENT OF CONSUMER AFFAIRS**

**BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**

**ORDER OF ADOPTION**

**(1) Amend Section 70000 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§70000. Definitions.**

(a) “Academic Freedom” means the degree to which faculty at an institution are allowed latitude with respect to their discussions with students and the positions they take. Under such a policy, a faculty member can articulate or even advocate positions or concepts which may be controversial in nature without fear of retribution or reprisal.

(b) “Act” means The California Private Postsecondary Education Act of 2009.

(c) “Chief academic officer” means the person primarily responsible for the administration of an institution’s academic affairs including the supervision of faculty, development of educational programs and curricula, and implementation of the institution’s mission, purpose and objectives.

(d) “Chief executive officer” means the person primarily responsible for the overall administration of an institution, including the supervision of the chief academic officer and the chief operating officer. The chief executive officer is often, but need not be, called the “president.”

(e) “Chief operating officer” means the person primarily responsible for the administration of an institution’s business operation, including finances, management, personnel, and contracting for goods, services, or property.

(f) “Code” means California Education Code.

(g) “Credential” means publicly demonstrated skills and experiences whose achievement has been recognized by an official credential or award given by a professional association. This recognition can also be achieved if there is a general acceptance and recognition of those credentials by members of the profession or industry in the field in which the person will teach.

(h) “Credit” means a measure of college or university level instruction that is evaluated by duly qualified faculty; it is also the same as “unit” or “unit of credit.”

(i) “Degree program” means an educational program leading to the award of an academic degree as defined in section 94830 of the Code.

(j) “Duly qualified faculty” or “faculty member” means a person or people who satisfy the requirements of section 71720.

(k) “Education offered for purpose of personal entertainment, pleasure or enjoyment” means education offered for purposes of play, amusement or relaxation, including education offered for the purpose of teaching the fundamentals, skills or techniques of a hobby or activity. It does not include education that in any manner does any of the following:

(1) Enables a student to qualify for any immigration status, for which an institution is permitted to issue a Certificate of Eligibility for Nonimmigrant Student Status by the United States Immigration and Customs Enforcement.

(2) Facilitates the development of learning skills or language proficiency to assist a student to:

(A) learn English as a second language, unless the institution exclusively enrolls students for an intensive English program that is touristic in nature, and provides for transportation, housing, and cultural and recreational activities; or

(B) enhance language skills for any business or occupational purpose.

(3) Assists a student to prepare for a test administered in conjunction with any undergraduate or graduate educational program.

(4) Is an educational service offered to lead to any employment in any occupation or job title.

(5) Is represented to enable a student to use already existing knowledge, training, or skills in the pursuit of an occupation or to develop new or enhance existing knowledge, training, or skills in connection with any occupation or job title.

(l) “Financial aid officer” means any person involved in administering the participation of the institution or any of its students in any federal or state student loan or grant program, including any person who assists students to apply for, disburses the proceeds of, or regularly explains student rights and obligations under, loans or grants subject to any federal or state program.

(m) “Full time study” means the equivalent of, if measured in credit hours, 24 semester or trimester, or 36 quarter hours, or if measured in clock hours, 900 hours, to be completed within 30 weeks of instruction.

(n) “Innovative method of instruction” or “unique method of instruction” means a new method of instruction, not previously generally recognized by accredited and approved degree granting institutions, as a reasonable approach to teaching a specific curriculum.

(o) “Institution director” means the person who is responsible for administering the daily operations of the institution and has supervisory authority over all other administrators and instructors.

(p) “Instructor” means a person who is responsible to conduct one or more classes or components of an institution’s educational program.

(q) “Mission” means an institution’s stated educational reasons to exist. A mission statement contains all of the following characteristics:

(1) The mission includes the institution’s broad expectations concerning the education that students will receive, including the acquisition of the body of knowledge presented in the educational program, the development of intellectual, analytical, and critical abilities, and the fostering of values such as a commitment to pursue lifelong learning; and

(2) The mission relates to the educational expectations of the institution’s students, faculty and community that the institution serves.

(r) “Objectives” are the goals and methods by which the institution fulfills its mission and transforms it into measurable student learning outcomes for each educational program.

(s) “Pre-accreditation” or “candidacy” means that an institution has submitted a completed application for initial accreditation with the required fee, which was accepted by the accreditor.

~~(s)~~ (t) “Prior experiential learning” or “college level learning experience” means learning of a postsecondary nature as documented learning from a related profession, college level equivalent tests, military training or other college level equivalent experience.

(u) “Provisional approval” means approval of a degree program or the institution for no more than a five-year period while the owner of a Bureau-approved institution seeks to satisfy the requirement for institutional accreditation by an accrediting agency recognized by the United States Department of Education pursuant to section 94885(b) of the Code.

~~(t)~~ (v) “Quarter” means at least 10 weeks of instruction or its equivalent as described in subdivision ~~(t)~~ (w) (2) of this section.

~~(t)~~ (w) “Quarter unit” means either of the following:

(1) At least ten (10) hours of college or university level instruction during a quarter plus a reasonable period of time outside of instruction which an institution requires a student to devote to preparation for planned learning experiences, such as preparation for instruction, study of course material, or completion of educational projects; or

(2) Planned learning experiences equivalent to the learning and preparation described in paragraph (1) as determined by duly qualified faculty responsible for evaluating learning outcomes for the award of unit credits.

~~(v)~~ (x) “Recreational Education” means education offered for the purpose of teaching the fundamentals, skills or techniques of sports or games.

~~(w)~~ (y) “Semester” means at least 15 weeks of instruction or its equivalent as described in subdivision ~~(x)~~ (z) (2) of this section.

~~(x)~~ (z) “Semester unit” means either of the following:

(1) At least fifteen (15) hours of college or university level instruction during a semester plus a reasonable period of time outside of instruction which an institution requires a student to devote to preparation for planned learning experiences, such as preparation for instruction, study of course material, or completion of educational projects; or

(2) Planned learning experiences equivalent to the learning and preparation described in paragraph (1) as determined by duly qualified faculty responsible for evaluating learning outcomes for the award of unit credits.

~~(y)~~ (aa) “Significant equipment” means equipment that is necessary for achieving the stated educational objectives.

~~(z)~~ (ab) “Tuition” means the cost for instruction normally charged on a per unit or per hour basis. It does not include itemized fees paid to the Bureau or the cost of textbooks, supplies, transportation, or equipment.

~~(aa)~~ (ac) “Unit” or “unit of credit” means a measure of college or university level instruction that is evaluated by duly qualified faculty.

NOTE: Authority cited: Sections 94803, ~~and~~ 94877, 94885, 94885.1 and 94885.5, Education Code. Reference: Sections 94818, 94830, 94844, 94885, 94885.1, 94885.5 and 94923, Education Code.

**(2) Adopt Section 71105 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71105. Application for Provisional Approval to Offer Degree Programs.**

(a) For an application for approval to operate or a substantive change, the owner of an unaccredited institution also requesting provisional approval to offer a degree program shall submit to the Bureau, for its approval, a plan for achieving institutional accreditation by an

accrediting agency recognized by the United States Department of Education, with the scope of that accreditation covering the offering of at least one degree program.

(b) The plan shall include:

(1) Identification of the accrediting agency from which the institution will seek accreditation;

(2) Identification of the accrediting agency's eligibility requirements;

(3) Identification of the accrediting agency's minimum requirements for institutional accreditation covering at least one degree program offered by the institution with an outline of the process and timeline for complying within two years of provisional approval with the accrediting agency's requirements for submission of a completed application for initial accreditation with the required fee; and

(4) An outline of the process and timeline whereby the institution will achieve full accreditation within five years of approval, including all of the following, if applicable:

(A) Attendance at the accrediting agency's required accreditation applicant workshop;

(B) Submission of financial statements as required by the accrediting agency;

(C) Submission of a self-evaluation report; and

(D) Hosting of a site visit by the accrediting agency.

NOTE: Authority cited: Sections 94877, 94885.5 and 94888, Education Code. Reference: Sections 94885, 94885.5, 94886, 94887 and 94888, Education Code.

**(3) Adopt Section 71105.5 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71105.5. Accreditation Plan Requirements for Degree-Granting Institutions.**

(a) The owner of an unaccredited institution that was approved to offer a degree program on or before January 1, 2015, shall by July 1, 2015, submit to the Bureau a plan for achieving institutional accreditation by an accrediting agency recognized by the United States Department of Education, with the scope of that accreditation covering the offering of at least one degree program.

(b) The plan shall include:

(1) Identification of the accrediting agency from which the institution will seek accreditation;

(2) Identification of the accrediting agency's eligibility requirements;

(3) Identification of the accrediting agency's minimum requirements for institutional accreditation covering at least one degree program offered by the institution with an outline of the process and timeline for complying, by July 1, 2017, with the accrediting agency's requirements for submission of a completed application for initial accreditation with the required fee; and

(4) An outline of the process and timeline whereby the institution will achieve full accreditation by July 1, 2020 including all of the following, if applicable:

(A) Attendance at the accrediting agency's required accreditation applicant workshop;

(B) Submission of financial statements as required by the accrediting agency;

(C) Submission of a self-evaluation report; and

(D) Hosting of a site visit by the accrediting agency.

NOTE: Authority cited: Sections 94877 and 94885.1, Education Code. Reference: Sections 94885 and 94885.1, Education Code.

**(4) Amend Section 71400 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71400. Processing of Completed Applications.**

(a) Action by the Bureau shall not commence until a completed Form Application 94886 for approval to operate, or for verification of exemption, has been submitted to the Bureau for its review.

(b) Within 30 days after receipt of a Form Application 94886 for approval to operate as required by Article 1, or for verification of exemption, the Bureau shall notify the institution in writing that the application is complete and has been accepted for filing or that the application is not complete. If the application is not complete, the Bureau shall specify in the notice what additional information or documents are needed from the institution in order for the application to be deemed complete.

(c) The Bureau shall consider an application to be complete if it appears that the institution has submitted all of the information, documents, and fees required by the Act and by Article 2 of this chapter. This includes any additional documents the Bureau may request to determine if the institution's proposed implementation meets the minimum operating standards

of ~~Section~~ section 94885 of the Code.

(d) Pursuant to section 94887 of the Code, the Bureau will either grant or deny an application.

(1) When specific minor deficiencies are identified during processing but the institution is substantially in compliance with the requirements of the Code and this Division, a ~~provisional~~ or conditional authorization to operate may be granted for a period not to exceed six (6) months, to permit the institution to correct those deficiencies identified. If those deficiencies are not corrected after the first period of ~~provisional~~ conditional approval, or the condition upon which an approval may be granted is not satisfied, the ~~provisional~~ or conditional authorization to operate may be extended for a period not to exceed six (6) months if the program demonstrates to the Bureau a good faith effort and ability to correct the deficiencies. A ~~provisional~~ or conditional authorization to operate shall expire at the end of its stated period and the application shall be deemed denied, unless the deficiencies are removed prior to its expiration and an approval to operate has been granted before that date.

(2) For an applicant that seeks to offer degree programs only, the Bureau will grant a provisional approval to operate the institution if the application demonstrates, in addition to all other requirements for approval to operate, that the institution meets the requirements of section 94885.5 of the Code, and the plan is approved pursuant to section 71105.

(3) For an applicant that seeks to offer both degree and non-degree programs, in addition to any action taken by the Bureau pursuant to this section in granting an approval to operate an institution and any non-degree programs, the Bureau may grant a provisional approval to offer no more than two degree programs if the application demonstrates that the institution meets the requirements of section 94885.5 of the Code, and the plan is approved pursuant to section 71105, in addition to all other requirements for approval to operate.

NOTE: Authority cited: Sections 94803, 94877 and 94888, Education Code. Reference: Sections 94885, 94885.5, 94887 and 94888, Education Code.

**(5) Adopt Section 71410 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71410. Automatic Suspension of Approval to Operate.**

(a) Pursuant to sections 94885.1 and 94885.5 of the Code, and in addition to any other actions allowed, the Bureau Chief, or his or her designee, may issue a written order automatically suspending the approval to operate or the provisional approval to operate (or to operate a program) to an institution that fails to meet the requirements of either section 94885.1 or 94885.5 of the Code, or section 71105 or 71105.5. Notice of such order may be given personally, by

telephone, email, fax, or mail, and shall inform the person approved to operate of the automatic suspension and its effective date, and the manner in which the person may request an opportunity to be heard before the Director, or his or her designee.

(b) Within 30 days of the effective date of the automatic suspension, the person approved or provisionally approved to operate the institution may request an opportunity to be heard before the Director, or his or her designee. Within 30 days from the timely receipt of a written request for an opportunity to be heard, the Director, or his or her designee, shall hear the appeal by holding an informal office conference with the person approved or provisionally approved to operate the institution or an authorized representative. Upon request and approval by the Director, or his or her designee, the person approved or provisionally approved to operate the institution or representative may participate in the office conference by telephone. The 30-day period for hearing the appeal may be extended by the Director, or his or her designee, at the request of the institution or the Bureau for good cause.

NOTE: Authority cited: Sections 94877, 94885.1 and 94885.5, Education Code. Reference: Sections 94885, 94885.1 and 94885.5, Education Code.

**(6) Adopt Section 71471 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71471. Visiting Committees; Unaccredited Degree-Granting Institutions.**

(a)The Bureau shall empanel a visiting committee to assess an unaccredited degree-granting institution's progress toward successfully achieving its accreditation plan submitted in accordance with either section 71105 or 71105.5.

(b) Upon notification of a visiting committee review pursuant to this section, an institution may challenge the committee by following the procedures in section 71455.

(c) The visiting committee shall review the institution's plan and initial documentation.

(d) The committee may request an update of the documentation submitted with the initial accreditation plan. The committee may, in its discretion, schedule a site visit.

(e) The Bureau's visiting committee shall prepare a report upon conclusion of the committee's work that shall include the following:

(1) The committee's findings regarding the institution's progress toward accreditation;

(2) The committee's assessment of the institution's ability to meet its stated accreditation goals in the time allotted;

(3) Suggested corrections for the institution to achieve accreditation; and



(4) The committee’s recommendations on any action the Bureau should take.

NOTE: Authority cited: Sections 94877, 94885.1, 94885.5 and 94888, Education Code.  
Reference: Sections 94882, 94885, 94885.1 and 94885.5, Education Code.

**(7) Amend Section 71650 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71650. Application for Change in Educational Objectives.**

(a) An institution seeking to change its educational objectives shall complete the “Change in Educational Objectives” form (OBJ rev. 2/10) to obtain prior authorization. The form shall be submitted to the Bureau along with the appropriate fee as provided in Section 94930.5(c) of the Code. For an institution approved under section 94885 of the Code it shall be signed and dated by the signatory(ies) required by section 71380, and for an institution approved under section 94890 of the Code it shall be signed and dated by the signatory(ies) required by section 71390, and each fact stated therein and each attachment thereto shall be declared to be true under penalty of perjury, in the following form:

“I declare under penalty of perjury under the laws of the State of California that the foregoing and all attachments are true and correct.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)”

(b) For an application to add a degree program:

(1) “Unrelated to the approved educational programs” as used in section 94894(a) of the Code includes the addition of a degree program where no degree at that level was previously approved, whether or not the proposed program would offer a degree in the same subject area as a previously approved non-degree program or lower level degree; and a program leading to licensure whether or not the proposed program is in the same subject area as a previously approved program that did not lead to licensure.

(2) The owner of an institution approved pursuant to section 94886 of the Code seeking to add a degree-granting program must complete an accreditation plan under section 71105, or provide proof of accreditation with the scope of that accreditation covering the institution and at least one degree program.

(3) If an application is granted pursuant to this subdivision, the Bureau shall issue a provisional approval of no more than two degree programs for which approval is sought. Such approval of the program shall run in conjunction with any existing approval to operate the institution.

(c) The application shall establish that the institution, including any branch, can meet the minimum operating standards contained in Chapter 3, and shall include:

- (1) The name, school code, address, website address, and telephone and fax numbers of the institution;
- (2) The reasons for changing the educational objectives, and how the proposed change helps to further the institution's mission and objectives;
- (3) When the institution proposes to change the educational objectives;
- (4) The impact of the change on the financial resources of the institution, including the institution's ability to comply with section 71745;
- (5) A description of the facility and equipment, as required by section 71260, required for the change;
- (6) For addition of a new program, all information required by sections 71210 and 71220;
- (7) If the application is for a change to an existing program, a description of the differences between any programs approved and the proposed programs, including differences in admissions standards, degree requirements, curricula, and standards for student achievement;
- (8) A statement that the institution has contracted with duly qualified faculty that meet the requirements of section 71720;
- (9) A description of library and other learning resources, as required by Section 71270, required for the proposed change;
- (10) The name, address, email address, and telephone and fax numbers of the institution's contact person for the purpose of this application; and
- (11) Any additional information required by the Bureau pursuant to section 71340.

(d) An institution that has been granted an approval to operate by means of accreditation shall notify the Bureau of the substantive change within 30 days of that change on the Change in Educational Objectives form, by providing the information required by (c)(1) and (c)(10), and shall attach certification from the institution's accreditation agency demonstrating that the substantive change was made in accordance with the institution's accreditation standards, and complies with the Act and this Division.

NOTE: Authority cited: Sections 94803, 94877, 94885, 94885.5 and 94895, Education Code.  
Reference: Sections 94823.5, 94885, 94885.5, 94893, 94894, 94895, 94896 and 94930.5,

Education Code.

**(8) Adopt Section 71775 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71775. Pre-enrollment Disclosure; Notice to Prospective Degree Program Students.**

(a) An unaccredited institution enrolling a student in a degree program that has received provisional approval shall, prior to execution of an enrollment agreement, provide the student with the following notice, which shall be in at least 12-point type in the same font as the enrollment agreement:

**“Notice to Prospective Degree Program Students**

This institution is provisionally approved by the Bureau for Private Postsecondary Education to offer degree programs. To continue to offer this degree program, this institution must meet the following requirements:

- Become institutionally accredited by an accrediting agency recognized by the United States Department of Education, with the scope of the accreditation covering at least one degree program.
- Achieve accreditation candidacy or pre-accreditation, as defined in regulations, by (date two years from date of provisional approval), and full accreditation by (date five years from date of provisional approval).

If this institution stops pursuing accreditation, it must:

- Stop all enrollment in its degree programs, and
- Provide a teach-out to finish the educational program or provide a refund.

An institution that fails to comply with accreditation requirements by the required dates shall have its approval to offer degree programs automatically suspended.

Institutional Representative Initials: \_\_\_\_\_  
Date: \_\_\_\_\_

Student Initials: \_\_\_\_\_  
Date: \_\_\_\_\_”

(b) The student and an institutional representative shall initial and date the notice prior to executing an enrollment agreement. An initialed copy of the notice shall be given to the student and the original shall be retained in the enrolled student’s records.

(c) The notice shall also be posted immediately adjacent to the description of the degree program(s), at a minimum, in the following locations:

- (1) The institution's catalog where each degree program is described.
- (2) The institution's website where each degree program is described.
- (3) The institution's degree program brochures.

NOTE: Authority cited: Sections 94877 and 94885.5, Education Code. Reference: Sections 94885, 94885.5, 94897, 94900, 94900.5, 94909, 94927.5 and 94932, Education Code.

**(9) Adopt Section 71775.5 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§71775.5. Pre-enrollment Disclosure; Notice to Prospective Degree Program Students; Institutions with Existing Approvals to Operate.**

(a) An approved unaccredited institution enrolling a student in a degree program shall, prior to execution of an enrollment agreement, provide the student with the following notice, which shall be in at least 12-point type in the same font as the enrollment agreement:

**“Notice to Prospective Degree Program Students**

This institution is approved by the Bureau for Private Postsecondary Education to offer degree programs. To continue to offer degree programs, this institution must meet the following requirements:

- Become institutionally accredited by an accrediting agency recognized by the United States Department of Education, with the scope of the accreditation covering at least one degree program.
- Achieve accreditation candidacy or pre-accreditation, as defined in regulations, by July 1, 2017, and full accreditation by July 1, 2020.

If this institution stops pursuing accreditation, it must:

- Stop all enrollment in its degree programs, and
- Provide a teach-out to finish the educational program or provide a refund.

An institution that fails to comply with accreditation requirements by the required dates shall have its approval to offer degree programs automatically suspended.

Institutional Representative Initials: \_\_\_\_\_

Student Initials: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_”

(b) The student and an institutional representative shall initial and date the notice prior to executing an enrollment agreement. An initialed copy of the notice shall be given to the student and the original shall be retained in the enrolled student’s records.

(c) The notice shall also be posted immediately adjacent to the description of the degree program(s), at a minimum, in the following locations:

- (1) The institution’s catalog where each degree program is described.
- (2) The institution’s website where each degree program is described.
- (3) The institution’s degree program brochures.

NOTE: Authority cited: Sections 94877 and 94885.1, Education Code. Reference: Sections 94885, 94885.1, 94897, 94900, 94900.5, 94909, 94927.5 and 94932 Education Code.

**(10) Adopt Section 74240 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§74240. Unaccredited Degree-Granting Institutions that Elect to Stop Pursuing Accreditation.**

(a) If an unaccredited institution that has a provisional approval to offer degree programs from the Bureau or an unaccredited degree-granting institution that has an approved accreditation plan pursuant to section 71105.5 elects to stop offering all degree programs, the institution must immediately notify the Bureau in writing of the institution’s intent to stop offering degree programs and provide a degree program closure plan. The degree program closure plan shall include:

- (1) The exact date the institution stopped enrolling new students in its degree programs, which cannot be more than five business days before or after the post-mark date of the notification to the Bureau.
- (2) A list of contact information for all students currently enrolled in each degree program.
- (3) A teach-out plan that includes a plan for the disposition of student records and is compliant with the provisions of section 94927 of the Code.
- (4) A copy of the notification to be provided to students pursuant to subdivision (b) of this section.

(b) Within five business days of notifying the Bureau, the institution must notify, in writing, all currently enrolled students of the following:

(1) That the institution will no longer pursue accreditation and is immediately surrendering its provisional approval.

(2) A teach-out plan, which shall provide, at minimum, the following information:

(A) The name and location of the institution(s) that is (are) providing the teach-out.

(B) The last date of instruction for each educational service or program at the current institution and the date upon which instruction at the teach-out institution(s) will begin.

(C) Whom to contact at the teach-out institution(s).

(3) That the student has a right to choose not to participate in the teach-out, and instead seek a refund for any classes the student is currently enrolled in or has not yet completed.

(c) Any student may seek a refund from the institution rather than participate in a proposed teach-out program. A refund must be made within 45 days of such a request by a student.

(d) Failure of any institution to comply with the requirements of this section will be considered a violation and subject to action by the Bureau.

NOTE: Authority cited: Sections 94877, 94885.1, 94885.5, and 94933, Education Code. Reference: Sections 94885, 94885.1, 94885.5, 94927 and 94933, Education Code.

**(11) Adopt Section 74250 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§74250. Unaccredited Degree-Granting Institutions that Are Automatically Suspended.**

(a) If an unaccredited institution that has a provisional approval from the Bureau to offer degree programs or an unaccredited degree-granting institution that has an approved accreditation plan pursuant to section 71105.5 fails to meet the requirements of either section 94885.1 or 94885.5 of the Code or section 71105 or 71105.5 and is notified by the Bureau that their approval to operate or their approval to offer degree programs has been automatically suspended, the institution must immediately cease enrolling students and within 30 days provide to the Bureau a degree program closure plan. The degree program closure plan shall include:

(1) The exact date the institution stopped enrolling new students in its degree programs.

(2) A list of contact information for all students currently enrolled in each degree program.

(3) A teach-out plan that includes a plan for the disposition of student records and is compliant with the provisions of section 94927 of the Code.

(4) A copy of the notification to be provided to students pursuant to subdivision (b) of this section.

(b) The institution must notify, in writing, all currently enrolled students within five business days of the following:

(1) That the institution has received a notice of suspension from the Bureau and may no longer offer degree programs.

(2) A teach-out plan, which shall provide, at minimum, the following information:

(A) The name and location of the institution(s) that is (are) providing the teach-out.

(B) The date upon which instruction at the teach-out institution(s) will begin.

(C) How and when payments will be made to the new institution and any relevant financial information.

(D) Whom to contact at the new institution(s).

(3) That the student has a right to choose not to participate in the teach-out, and instead seek a refund for any classes the student is currently enrolled in or has not yet completed.

(c) Any student may seek a refund from the institution rather than participate in a proposed teach-out program. A refund must be made within 45 days of such a request by a student.

(d) Failure of any institution to comply with the requirements of this section will be considered a violation and subject to action by the Bureau.

NOTE: Authority cited: Sections 94877, 94885.1, 94885.5 and 94933, Education Code.  
Reference: Sections 94885, 94885.1, 94885.5, 94927 and 94933, Education Code.

**(12) Adopt Section 75140 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§75140. Actions Against a Provisional Approval to Operate.**

In addition to any action permitted by the Bureau against an approval to operate pursuant to Article 3 of Chapter 5 of this Division, the Bureau may also take an action against a provisional approval to operate or a provisional approval to offer a degree program.

NOTE: Authority cited: Sections 94877, 94885.1 and 94885.5, Education Code. Reference: Sections 94885.1, 94885.5, 94887, 94888 and 94932, Education Code.

**(2) Amend Section 75150 of Division 7.5 of Title 5 of the California Code of Regulations to read as follows:**

**§75150. Emergency Decisions.**

(a) The Bureau may make an emergency decision for temporary, interim relief pursuant to article 13 (commencing with section 11460.10) of Chapter 4.5 of Part 1 of Division 3 of Title 2 of the Government Code.

(b) The Bureau may make an emergency decision pursuant to subdivision (a) where there is an immediate danger to the public health, safety, or welfare that requires immediate action to protect students, prevent misrepresentations to the public, or prevent the loss of public funds or monies paid by students, including but not limited to fraud; a substantial misrepresentation in the institution's Performance Fact Sheet, school catalog, or enrollment agreement; a substantial failure to meet institutional minimum operating standards; failure to meet statutory and regulatory requirements for accreditation; or a substantial failure to obtain a necessary approval or permit from another agency or regulatory body, affecting public health, safety or welfare.

(c) The Bureau may order temporary, interim relief in the form of some or all of the following measures:

- (1) cease or limit enrollment of new students;
- (2) cease part or all instruction for some or all programs;
- (3) cease collection of tuition or fees for some or all programs.

(4) suspend approval or provisional approval to operate or offer any degree programs.

(d) To the extent practicable and to the extent that prior notice will not increase the likelihood of immediate danger to the public health, safety, or welfare, the Bureau shall, not less than 48-hours prior to the effective date of the emergency decision, give notice of an emergency



decision to a person listed in section 71130(a) or 71135. Such notice may be given personally, by telephone, email, fax, or mail, and shall inform the person of the emergency decision and its effective date; the manner in which the person may request an opportunity to be heard before the Director, or his or her designee, prior to the effective date of the emergency decision; the right to judicial review of the decision; and the process by which the decision may be resolved pursuant to section 75100(c) and section 11460.60 of the Government Code.

(e) Where notice has been by telephone, unless waived by the person to whom the notice is given, the Bureau shall also provide written copies of the emergency decision and the information required by subdivision (d) prior to the effective date of the decision.

(f) Where the Bureau has given notice pursuant to subdivision (d), unless waived by the person to whom notice is given, the institution shall be provided an opportunity to be heard before the Director, or his or her designee, at least 24-hours prior to the emergency decision becoming effective.

(g) This authority may be used in addition to any civil, criminal, or administrative remedies available to the Bureau.

NOTE: Authority cited: Sections 94877 and 94938, Education Code; and Section 11460.20, Government Code. Reference: Sections 94885.1, 94885.5, and 94938, Education Code; and Sections 11460.20, 11460.30, 11460.40, 11460.50, 11460.60 and 11460.80, Government Code.