



**Bureau for Private Postsecondary Education**  
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## **NOTICE TO LICENSEES OF CHANGES TO STATUTE GOVERNING PRIVATE POSTSECONDARY**

Dear School Administrator:

On September 29, 2014, Governor Brown signed into law Senate Bill 1247, Chapter 840, Statutes of 2014. This legislation makes changes to the California Private Postsecondary Education Act of 2009 (Act) that will impact private postsecondary educational institutions that are regulated by the Bureau for Private Postsecondary Education (Bureau). This courtesy notice is intended to provide a summary of the statutory changes that become effective January 1, 2015, and the actions your institution should take in order to achieve compliance with the law.

Please be advised that the following is a summary of key components of the changes to the Act, and does not include all of the changes impacting private postsecondary institutions. To read the complete text of Senate Bill 1247 you may follow this link or type the address into your internet

browser: [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140SB1247&search\\_keywords=](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB1247&search_keywords=).

Accreditation for Degree Granting Institutions Required (CEC sections 94885(b), 91885.1, 94885.5) Beginning January 1, 2015, institutions that are currently approved to offer degree programs and are not currently accredited will have to submit a plan for accreditation by July 1, 2015, that demonstrates how the institution can achieve pre-accreditation by July 1, 2017, and achieve full accreditation by July 1, 2020. After January 1, 2015, a non-accredited institutions that wish to offer degree programs seeking approval to operate will be required to submit a document with their application that outlines the plan to achieve pre-accreditation within two years and accreditation within five years of approval to operate by the Bureau, and identify an accreditation agency from which the institution plans to seek its accreditation. Such institutions will be issued a provisional approval to operate and be limited to two degree programs during the term of its provisional approval to operate.

**\*\*PLEASE NOTE\*\* The Bureau will be providing institutions with guidance on the requirements and how to fulfill them by February 1, 2015. The Bureau is in the process of promulgating Emergency Regulations that implement the requirements for accreditation. Those should be available on the Bureau's website ([www.bppe.ca.gov](http://www.bppe.ca.gov)) January, 2015.**

Bureau Approval Required for Institutions that Participation in Veterans' Education Programs (CEC section 94874.2 and 94974)

Beginning January 1, 2016, any private postsecondary educational institution that is approved to participate in veterans' financial aid programs and is not an independent institution as defined in CEC section 66010(b) must be approved by the Bureau, unless they are exempt by meeting the specific requirements of CEC sections 94874(i) and 94974.

#### Denials Posted on the Website (CEC section 94878(c))

Beginning January 1, 2015, the Bureau shall post on its internet website a list of all applications that have been denied an approval to operate after that denial has become final. The change also requires the following disclosure:

“The following institutions were denied approval to operate by the Bureau for Private Postsecondary Education for failing to satisfy the standards relating to educational quality, or consumer protection, or both. These unlicensed institutions are not operating in compliance with the law, and students are strongly discouraged from attending these institutions.”

#### Task Force (CEC section 94880.1)

By March, 1, 2015, the Bureau will be creating a Task Force to review standards for educational and training programs specializing in innovative subject matters and instructing students in high-demand technology fields for which there is a demonstrated shortage of skilled employees. If you are interested in serving on this task force, applications are available on the BPPE website.

#### Ability To Benefit Students (CEC section 94904)

The amendment, effective January 1, 2015, clarifies that the acceptable list of independently administered exams that may be used for “Ability to Benefit Students” is the list prescribed by the United States Department of Education as of July 1, 2012. This clarification is important as the United States Department of Education is no longer publishing a list of approved “Ability to Benefit Exams.”

#### Performance Fact Sheet for Students Who are Not California Residents Enrolling in Distance Education Programs at Accredited Institutions (CEC section 94909(d), 94910(i))

- Beginning January 1, 2015, accredited institutions are no longer required to provide a School Performance Fact Sheet to prospective students enrolling in distance education programs if the prospective student is not a California resident or does not reside in California at the time of enrollment.
- Beginning January 1, 2015, accredited institutions are no longer required to include information about non-California residents enrolled in distance education programs on the School Performance Fact Sheet. However, the School Performance Fact Sheet must disclose if the information and/or data of non-California residents enrolled in distance education programs is excluded on the School Performance Fact Sheet.

#### Annual Reports (CEC section 94929.5(c))

Beginning January 1, 2015, accredited institutions are no longer required to include information about non-California residents enrolled in distance education program on their Annual Report to the Bureau.–However, the institution is required to disclose to the Bureau whether its data or information or both excludes non-California residents enrolled in distance education programs.

#### Student Tuition Recovery Fund (STRF) (CEC section 94923(a))

This section adds the purpose of the Student Tuition Recovery Fund beginning January 1, 2015.

Compliance Inspections (CEC section 94932.5(a))

The mandate for announced and unannounced compliance inspections was changed from every two years to every five years beginning January 1, 2015.

Bureau is Extended until January 1, 2017 (California Education Code (CEC) section 94950)

Mandated Regulations

In addition to these major changes made by SB 1247, the legislation mandates the Bureau promulgate regulations in some areas, such as:

Timing of Application Processing – CEC section 94888(b)(2) and section 94890(a)(2)

Student Tuition Recovery Fund – CEC section 94923(b), (d), and (f)

Prioritization of Compliance Inspections – CEC section 94932.5(b)

Categories for Prioritization of Complaints – CEC section 94941(e)

Please check the Bureau's website at [www.bppe.ca.gov](http://www.bppe.ca.gov) for additional information regarding regulations, the Bureau's outreach activities, Advisory Committee meetings and much more. You may also sign up for email notifications on the "About Us" page of the website. You may also follow us on Twitter and Facebook.

The Bureau encourages you to read Senate Bill 1247 in its entirety. It is located online at the following link:

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201320140SB1247&search\\_keywords=](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201320140SB1247&search_keywords=)

Sincerely,



Joanne Wenzel, Chief  
Bureau for Private Postsecondary Education