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8  
9 **BEFORE THE**  
**DEPARTMENT OF CONSUMER AFFAIRS**  
10 **FOR THE BUREAU FOR PRIVATE POSTSECONDARY EDUCATION**  
11 **STATE OF CALIFORNIA**

12  
13 In the Matter of the Accusation Against:

Case No. BPPE23-0958

14 **DNA PHLEBOTOMY SCHOOL, LLC.**  
15 **8374 Topanga Canyon Blvd., Unit 201**  
**Canoga Park, CA 91304**

**ACCUSATION**

16 **Mailing:**  
17 **9025 Oak Park Ave.**  
**Sherwood Forest, CA 91325**

18 **Institution Code No. 96668393**

19  
20 Respondent.

21  
22  
23 **PARTIES**

24 1. Deborah Cochrane (Complainant) brings this Accusation solely in her official  
25 capacity as the Chief of the Bureau for Private Postsecondary Education, Department of  
26 Consumer Affairs.

27 2. On or about February 21, 2020, the Bureau for Private Postsecondary Education  
28 issued Institution Code Number 96668393 to DNA Phlebotomy School, LLC. (Respondent),

1 owned by Ryan Kaplan. The Institution Code was in full force and effect at all times relevant to  
2 the charges brought herein and will expire on February 20, 2025, unless renewed.

### 3 **JURISDICTION AND STATUTORY PROVISIONS**

4 3. This Accusation is brought before the Director of the Department of Consumer  
5 Affairs (Director) for the Bureau for Private Postsecondary Education (Bureau), under the  
6 authority of the following laws. All section references are to the Education Code (Code) unless  
7 otherwise indicated.

8 4. Business and Professions Code section 118, subdivision (b), states:

9 (b) The suspension, expiration, or forfeiture by operation of law of a license  
10 issued by a board in the department, or its suspension, forfeiture, or cancellation by  
11 order of the board or by order of a court of law, or its surrender without the written  
12 consent of the board, shall not, during any period in which it may be renewed,  
13 restored, reissued, or reinstated, deprive the board of its authority to institute or  
14 continue a disciplinary proceeding against the licensee upon any ground provided by  
15 law or to enter an order suspending or revoking the license or otherwise taking  
16 disciplinary action against the licensee on any such ground.

17 5. Section 94875 of the Code states:

18 The Bureau for Private Postsecondary Education, as established by Section 6 of  
19 Chapter 635 of the Statutes of 2007, is continued in existence and shall commence  
20 operations. This chapter establishes the functions and responsibilities of the bureau,  
21 for the purposes of Section 6 of Chapter 635 of the Statutes of 2007. The bureau shall  
22 regulate private postsecondary educational institutions through the powers granted,  
23 and duties imposed, by this chapter. In exercising its powers, and performing its  
24 duties, the protection of the public shall be the bureau's highest priority. If protection  
25 of the public is inconsistent with other interests sought to be promoted, the protection  
26 of the public shall be paramount.

27 6. Section 94932 of the Code states:

28 The bureau shall determine an institution's compliance with the requirements of  
this chapter. The bureau shall have the power to require reports that institutions shall  
file with the bureau in addition to the annual report, to send staff to an institution's  
sites, and to require documents and responses from an institution to monitor  
compliance. When the bureau has reason to believe that an institution may be out of  
compliance, it shall conduct an investigation of the institution. If the bureau  
determines, after completing a compliance inspection or investigation, that an  
institution has violated any applicable law or regulation, the bureau shall take  
appropriate action pursuant to this article.

7. Section 94933 of the Code states:

The bureau shall provide an institution with the opportunity to remedy  
noncompliance, impose fines, place the institution on probation, or suspend or revoke  
the institution's approval to operate, in accordance with this article, as it deems

appropriate based on the severity of an institution's violations of this chapter, and the harm that results or may result to students.

8. Section 94936 of the Code states:

(a) As a consequence of an investigation, which may incorporate any materials obtained or produced in connection with a compliance inspection, and upon a finding that the institution has committed a violation of this chapter or that the institution has failed to comply with a notice to comply pursuant to Section 94935, the bureau shall issue a citation to an institution for violation of this chapter, or regulations adopted pursuant to this chapter.

(b) The citation may contain any of the following:

(1) An order of abatement that may require an institution to demonstrate how future compliance with this chapter or regulations adopted pursuant to this chapter will be accomplished.

(2) Notwithstanding Section 125.9 of the Business and Professions Code, an administrative fine not to exceed five thousand dollars (\$5,000) for each violation. . .

...

(c)(1) The citation shall be in writing and describe the nature of the violation and the specific provision of law or regulation that is alleged to have been violated.

(2) The citation shall inform the institution of its right to request a hearing in writing within 30 days from service of the citation.

...

(4) If a hearing is not requested, payment of the administrative fine is due 30 days from the date of service, and shall not constitute an admission of the violation charged.

(5) If a hearing is conducted and payment of an administrative fine is ordered, the administrative fine is due 30 days from when the final order is entered.

...

### **REGULATORY PROVISIONS**

9. California Code of Regulations, title 5, section 74000, subdivision (e)(1) states:

(e)(1) If an institution fails to pay any fee and any penalty fees timely, the Bureau may initiate proceedings to revoke the institution's approval to operate for failure to pay fees.

10. California Code of Regulations, title 5, section 75050, subdivision (b), states:

(b) Failure of an applicant or institution issued an approval to operate to abate the violation or to pay the fine within the time allowed is a ground for denial or discipline of an approval to operate.

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1 11. California Code of Regulations, title 5, section 76130 states:

2 (a)(1) A qualifying institution shall collect the assessment from each student in  
3 an educational program at the time it collects the first payment from or on behalf of  
4 the student at or after enrollment. The assessment shall be collected for the entire  
5 period of enrollment, regardless of whether the student pays the institutional charges  
6 in increments.

7 (2) The assessment to be collected from a re-enrolling student shall be limited  
8 to any amount that is due after crediting any prior assessment amount paid by the  
9 student. The enrollment agreement shall clearly identify any prior STRF assessment  
10 paid by the student.

11 (b) A qualifying institution shall complete the STRF Assessment report and  
12 remit it with the STRF assessments collected from students to be received by the  
13 Bureau no later than the last day of the month following the close of the quarter as  
14 follows:

- 15 (1) April 30 for the first quarter,
- 16 (2) July 31 for the second quarter,
- 17 (3) October 31 for the third quarter, and
- 18 (4) January 31 for the fourth quarter.

19 If the due date falls on a Saturday, Sunday, or State or federal holiday, the due  
20 date shall be extended to the next regular business day for the Bureau.

21 (c) The STRF Assessment report shall contain the following information:

22 (1) Total number of students who signed enrollment agreements for educational  
23 programs during the reporting period; and

24 (2) Total number of students eligible for STRF who signed enrollment  
25 agreements for educational programs during the reporting period; and

26 (3) The total number of students who signed their enrollment agreement during  
27 the reporting period, were eligible for STRF, and who made their first payment  
28 during the reporting period; and

(4) The total number of students who signed their enrollment agreement in a  
previous reporting period, were eligible for STRF, and who made their first payment  
during the current reporting period; and

(5) Total amount of institutional charges after rounding each student's  
institutional charges to the nearest \$1,000, for all eligible STRF students whose STRF  
assessment was collected in the reporting period; and

(6) Current contact telephone number of the person preparing the form; and

(7) A declaration dated and signed under penalty of perjury by the person  
preparing the form that the form and any attachments are true and correct.

1 (d) In the event of a school closure, any collected assessments shall be remitted  
to the Bureau within seven days following the cessation of instruction.

2 (e) Submission of all prior reports and assessments required by this section is a  
3 condition of renewal.

4 **COST RECOVERY**

5 12. Section 94937, subdivision (c), of the Code provides that the Bureau may seek  
6 reimbursement costs of investigation and enforcement pursuant to Business and Professions Code  
7 section 125.3.

8 13. Business and Professions Code section 125.3 provides, in pertinent part, that the  
9 Board may request the administrative law judge to direct a licensee found to have committed a  
10 violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the  
11 investigation and enforcement of the case, with failure of the licensee to comply subjecting the  
12 license to not being renewed or reinstated. If a case settles, recovery of investigation and  
13 enforcement costs may be included in a stipulated settlement.

14 **FACTUAL ALLEGATIONS**

15 **Citation Number 2223039**

16 14. On or about February 27, 2023, the Bureau issued Citation Number 2223039 to  
17 Respondent for failing to pay the 2022 Annual Fee and 90-day late payment penalty, and for  
18 failing to submit all components of its 2021 Annual Report.

19 15. The Order of Abatement in Citation Number 2223039 required Respondent to submit  
20 the 2021 Annual Report components and pay the 2022 Annual fee and 90-day late payment  
21 penalty. Citation Number 2223039 also issued to Respondent an administrative fine of  
22 \$5,501.00. Respondent was required to comply with the Order of Abatement and pay all fines  
23 and fees within 30 days from the date the citation was issued.

24 16. On or about March 23, 2023, the Bureau received Respondent's payment of the  
25 \$5,501.00 administrative fine. On or about April 19, 2023, the Bureau received Respondent's  
26 payment for the delinquent 2022 Annual Fee and 90-day late payment penalty fee. However,  
27 Respondent failed to submit the delinquent 2021 Annual Report components.

28 ///

1 17. On or about May 12, 2023, the Bureau sent Respondent a demand letter requesting  
2 compliance with the Order of Abatement to submit the 2021 Annual Report components.

3 18. On or about June 21, 2023, the Bureau sent Respondent a second demand letter  
4 requesting compliance with the Order of Abatement to submit the 2021 Annual Report  
5 components.

6 19. On or about September 11, 2023, the Bureau sent Respondent a third demand letter  
7 requesting compliance with the Order of Abatement to submit the 2021 Annual Report  
8 components.

9 20. To date, Respondent has failed to comply with Citation Number 2223039.

10 **Citation Number 2324089**

11 21. On or about February 16, 2023, the Bureau attempted to conduct an Announced  
12 Compliance Inspection pursuant to Code section 94932.5, subdivision (a), but Respondent failed  
13 to have personnel present at the inspection time. Bureau staff made attempts to contact  
14 Respondent by phone to gain access to the institution for the Announced Compliance Inspection,  
15 but were unsuccessful.

16 22. On or about October 24, 2023, the Bureau issued Citation Number 2324089 to  
17 Respondent for failing to comply with an Announced Compliance Inspection, and for failing to  
18 pay the 2023 Annual Fee and 90-day late payment penalty.

19 23. The Order of Abatement in Citation Number 2324089 required Respondent to pay the  
20 2023 Annual fee and 90-day late payment penalty. Citation Number 2324089 also issued to  
21 Respondent an administrative fine of \$6,000.00. Respondent was required to comply with the  
22 Order of Abatement and pay all fines and fees within 30 days from the date the citation was  
23 issued.

24 24. To date, Respondent has failed to comply with Citation Number 2324089.

25 **FIRST CAUSE FOR DISCIPLINE**

26 **(Failure to Comply with Citation)**

27 25. Respondent is subject to disciplinary action under California Code of Regulations,  
28 title 5, section 75050, subdivision (b), in that Respondent failed to comply with Citation Number

1 2223039. Respondent failed to comply with the Order of Abatement to submit the 2021 Annual  
2 Report components. Complainant refers to, and by this reference incorporates, the allegations set  
3 forth in above paragraphs 14-20, as though set forth in full herein.

4 **SECOND CAUSE FOR DISCIPLINE**

5 **(Failure to Comply with Citation)**

6 26. Respondent is subject to disciplinary action under California Code of Regulations,  
7 title 5, section 75050, subdivision (b), in that Respondent failed to comply with Citation Number  
8 2324089. Respondent failed to pay the administrative fine of \$6,000.00, and failed to comply  
9 with the Order of Abatement to pay the 2023 Annual Fee and 90-day late payment penalty fee.  
10 Complainant refers to, and by this reference incorporates, the allegations set forth in above  
11 paragraphs 21-24, as though set forth in full herein.

12 **PRAYER**

13 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,  
14 and that following the hearing, the Director of the Department of Consumer Affairs issue a  
15 decision:

- 16 1. Revoking or suspending Approval to Operate Institution Code Number 96668393,  
17 issued to Respondent DNA Phlebotomy School, LLC., owned by Ryan Kaplan;
- 18 2. Ordering Respondent DNA Phlebotomy School, LLC., owned by Ryan Kaplan, to  
19 pay the Bureau for Private Postsecondary Education the reasonable costs of the investigation and  
20 enforcement of this case, pursuant to Business and Professions Code section 125.3; and
- 21 3. Taking such other and further action as deemed necessary and proper.
- 22

23 DATED: 7/24/2024

24 "Original Signature on File"  
25 DEBORAH COCHRANE  
26 Chief  
27 Bureau for Private Postsecondary  
28 Education  
Department of Consumer Affairs  
State of California  
*Complainant*