

**ASSEMBLY BILL**

**No. 71**

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**Introduced by Assembly Member Wright**

December 12, 1996

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An act to amend Section 94986 of, and to repeal Section 94990 of, the Education Code, and to repeal Section 32 of Chapter 62 of the Statutes of 1996, relating to postsecondary education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 71, as introduced, R. Wright. Private Postsecondary and Vocational Education Reform Act of 1989.

(1) Existing law, known as the Private Postsecondary and Vocational Education Reform Act of 1989, among other things, requires the California Postsecondary Education Commission, prior to September 1, 1995, to review and evaluate specified matters relating to the implementation of the act, and to report to the Legislature on the results of this review and evaluation.

This bill would instead require the periodic review of the effectiveness of the act and a report to the Legislature on the results of the review.

(2) Existing law renders the act inoperative on June 30, 1997, and repeals the act on January 1, 1998.

This bill would continue that existing law indefinitely. The bill would thus extend the existence of criminal penalties under the act, thereby imposing a state-mandated local program. The bill would also make an appropriation by

continuing the operation of the continuous appropriation in the act.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(4) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares that  
2 the California Postsecondary Education Commission, in  
3 reviewing the effectiveness of the Private Postsecondary  
4 and Vocational Education Reform Act of 1989, adopted  
5 and issued a report on October 30, 1995, that set forth all  
6 of the following findings:

7 (a) The Private Postsecondary and Vocational  
8 Education Reform Act of 1989 is California's major statute  
9 for regulating and strengthening its more than 2,000  
10 privately operated postsecondary educational  
11 institutions, as well as out-of-state public and private  
12 institutions that have operations in California. The  
13 private sector educates approximately 412,000 students:  
14 108,200 enrolled in degree-granting institutions, and  
15 304,200 enrolled in non-degree-granting institutions.

16 (b) Prior to passage of the act, some degrees and  
17 diplomas awarded by California's private postsecondary  
18 and vocational educational institutions were of  
19 questionable integrity and value. The act set minimum  
20 standards of instructional quality and institutional  
21 business practices, and mandated consumer protections  
22 for students against fraud, misrepresentation, and unfair  
23 practices by schools. These changes have restored the  
24 credibility and integrity of degrees and diplomas  
25 awarded by private schools and colleges.



1 (c) More broadly, the improvement of California's  
2 work force preparation programs, both public and  
3 private, is of significant value to the business community  
4 in California. By ensuring high-quality preparation and  
5 training for students entering the work force, this act  
6 benefits both employers and employees.

7 SEC. 2. Section 94986 of the Education Code is  
8 amended to read:

9 ~~94986. Prior to September 1, 1995 the~~ (a) *The*  
10 California Postsecondary Education Commission shall  
11 *periodically* review ~~and evaluate all of the following, and~~  
12 ~~shall the effectiveness of this chapter and~~ report to the  
13 Legislature on the results of this review ~~and evaluation:~~

14 ~~(a) The implementation of this chapter by the council.~~

15 ~~(b) The effectiveness of Article 4 (commencing with~~  
16 ~~Section 94760) and Article 5 (commencing with Section~~  
17 ~~94780) in protecting the integrity of degrees and~~  
18 ~~diplomas issued by private educational institutions.~~

19 ~~(c) The appropriateness of policies and actions by the~~  
20 ~~council to delegate the responsibility for institutional~~  
21 ~~regulation and oversight to a state board in the~~  
22 ~~Department of Consumer Affairs, the Federal Aviation~~  
23 ~~Administration, the state agency responsible for~~  
24 ~~administering Article 1 (commencing with Section 1250)~~  
25 ~~of Chapter 2 of Division 2 of the Health and Safety Code,~~  
26 ~~or the Examining Committee of the State Bar.~~

27 ~~(d) The appropriateness of statutory provisions~~  
28 ~~exempting colleges and universities accredited by the~~  
29 ~~Western Association of Schools and Colleges from the~~  
30 ~~approval provisions of this chapter, and the effectiveness~~  
31 ~~of the Western Association of Schools and Colleges in~~  
32 ~~responding to complaints pursuant to subdivision (d) of~~  
33 ~~Section 94962.~~

34 ~~(e) The effectiveness of this chapter in protecting~~  
35 ~~students from misrepresentation and unfair practices and~~  
36 ~~promoting the financial integrity of institutions operating~~  
37 ~~in California.~~

38 ~~(f) The desirability of revising existing statutes for the~~  
39 ~~state funded student financial assistance programs to~~  
40 ~~allow for participation by students choosing to attend any~~



1 of the institutions approved under Article 4  
2 (commencing with Section 94760).

3 (b) The commission shall present any  
4 recommendations for revising this chapter, as it deems  
5 appropriate.

6 SEC. 3. Section 94990 of the Education Code is  
7 repealed.

8 ~~94990. This chapter shall become operative on~~  
9 ~~January 1, 1997, and shall become inoperative on June 30,~~  
10 ~~1997, and as of January 1, 1998, is repealed, unless a later~~  
11 ~~enacted statute, which becomes effective on or before~~  
12 ~~January 1, 1998, deletes or extends the dates on which it~~  
13 ~~becomes inoperative and is repealed.~~

14 SEC. 4. Section 32 of Chapter 62 of the Statutes of 1996  
15 is repealed.

16 ~~SEC. 32. Sections 5 to 24, inclusive, and Sections 26 to~~  
17 ~~30, inclusive, of this act shall become operative on January~~  
18 ~~1, 1997, and shall become inoperative on June 30, 1997,~~  
19 ~~and as of January 1, 1998, are repealed, unless later~~  
20 ~~enacted statutes, which become effective on or before~~  
21 ~~January 1, 1998, delete or extend the dates on which they~~  
22 ~~become inoperative and are repealed.~~

23 SEC. 5. No reimbursement is required by this act  
24 pursuant to Section 6 of Article XIII B of the California  
25 Constitution because the only costs that may be incurred  
26 by a local agency or school district will be incurred  
27 because this act creates a new crime or infraction,  
28 eliminates a crime or infraction, or changes the penalty  
29 for a crime or infraction, within the meaning of Section  
30 17556 of the Government Code, or changes the definition  
31 of a crime within the meaning of Section 6 of Article  
32 XIII B of the California Constitution.

33 Notwithstanding Section 17580 of the Government  
34 Code, unless otherwise specified, the provisions of this act  
35 shall become operative on the same date that the act  
36 takes effect pursuant to the California Constitution.

37 SEC. 6. This act is an urgency statute necessary for the  
38 immediate preservation of the public peace, health, or  
39 safety within the meaning of Article IV of the



1 Constitution and shall go into immediate effect. The facts  
2 constituting the necessity are:  
3 In order to continue the operation of the Private  
4 Postsecondary and Vocational Education Reform Act of  
5 1989 as soon as possible, it necessary that this act take  
6 effect immediately.

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