

BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY • GAVIN NEWSOM, GOVERNOR DEPARTMENT OF CONSUMER AFFAIRS • BUREAU FOR PRIVATE POSTSECONDARY EDUCATION 1747 N. Market Blvd., Suite 225, Sacramento, CA 95834

ON

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<u>CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT</u>

To: John Juarez, Owner Curtis Love, Owner CTM Welding, LLC 1345 North Dynamics St., Unit A Anaheim, CA 92806

INSTITUTION CODE: Unapproved CITATION NUMBER: 2122139

CITATION ISSUANCE/SERVICE DATE: May 11, 2022

DUE DATE: June 10, 2022 FINE AMOUNT: \$ 25,000.00

ORDER OF ABATEMENT INCLUDED: Yes

Christina Villanueva issues this Citation: Assessment of Fine and Order of Abatement (Citation) in her official capacity as Discipline Manager for the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

CITATION

A Citation is hereby issued to John Juarez and Curtis Love, Owners of CTM Welding LLC (Institution) located at 1345 North Dynamics St., Unit A, Anaheim, CA 92806 pursuant to Business and Professions Code section 125.9 and 149; California Education Code (CEC) section 94944; and Title 5 of the California Code of Regulations (5, CCR) section 75020 for the violation(s) described below.

BACKGROUND

On March 25, 2021, and March 21, 2022, the Bureau received complaints alleging that the Institution was operating without Bureau approval. Through the course of the investigation and evidence obtained, it was determined that the Institution is operating without Bureau approval or a valid exemption and is accepting students without prior welding experience.

VIOLATION(S)

Below you will find the California Education Code (CEC) and/or Title 5 of the California Code of Regulations (5, CCR code) section(s) of law you are charged with violating.

1. Violation:

CEC Section 94886. Approval to Operate Required

"Except as exempted in Article 4 (commencing with Section 94874) or in compliance with the transition provisions in Article 2 (commencing with Section 94802), a person shall not open, conduct, or do business as a private postsecondary educational institution in this state without obtaining an approval to operate under this chapter."

CEC Section 94817.5. Approved to Operate or Approved

"Approved to operate" or "approved" means that an institution has received authorization pursuant to this chapter to offer to the public and to provide postsecondary educational programs."

CEC Section 94868. To Offer to the Public

"To offer to the public" means to advertise, publicize, solicit, or recruit."

CEC Section 94869. To Operate

"To operate" means to establish, keep, or maintain any facility or location in this state where, or from which, or through which, postsecondary educational programs are provided."

On March 25, 2021, the Bureau received a complaint alleging that the institution was operating without Bureau approval.

On April 1, 2021, Bureau staff reviewed the institution's website and found the following courses offered:

- Shielded Metal Arc Welding (SMAW) for \$3,500.00
- Flux Cored Arc Welding (FCAW)/Gas Metal Arc Welding (GMAW) for \$4,000.00

On April 20, 2021, Bureau reviewed the Testing Agency Roster website for the Los Angeles Department of Building and Safety (LADBS) and confirmed that the Institution is an approved testing agency to conduct performance welder examinations.

On May 11, 2021, Bureau staff called LADBS to inquire about certifications and licensure and was informed by a Licensing Analyst for LADBS, that once a student passes the exam through an LADBS's approved school, LADBS sends the student their license within the two weeks.

On May 24, 2021, Bureau staff called the Institution and asked to speak with someone who handled complaints. An Institution representative stated they were unable to speak over the phone and provided an email address of CTMweld@gmail.com to Bureau staff to send the questions to.

On June 4, 2021, Bureau staff received an email from the Institution's Owner stating the Institution is a small training facility with 8 welding booths in the lab, where students receive one on one training for two to three hours each session, and students set their own schedule with the days they will attend. The Owner informed Bureau staff that the Institution does not have a school catalog since the Institution requires a personal meeting with each student before enrolling them in a course. The Owner explained that at the time of the student meeting, the Institution goes over in full detail their class descriptions and agreements.

The Owner stated that the prices listed on the Intuition's website are accurate and up to date. The Owner also stated that the Institution certifies anywhere from 50-70 students per year at average cost of \$3,500.00. The Owner provided a copy of the Institution's Enrollment Agreement.

On June 8, 2021, Bureau staff emailed the Owner inquiring whether union trade contractors pay for the employees training or if the employees pay for training themselves.

On June 10, 2021, the Owner responded to the email stating that some contractors will pay directly or reimburse their employees upon receiving certification, while others provide a stipend to help

with the cost of classes.

On August 26, 2021, Bureau staff emailed the Owner to gather additional information regarding how the Institution certifies its students and how often students pay directly for courses.

Between September 3, 2021, and January 18, 2022, Bureau staff attempted to follow up with the Owner regarding the email from August 26, 2021, with no success.

On February 1, 2022, Bureau staff spoke with the Owner and stated that they wanted to clarify what it means that the Institution certifies welders. The Owner responded that whether an employer sends an employee to the Institution, or a student enrolls independently, once they have completed their designated courses, the Institution provides the American Welding Society (AWS) certification. Bureau staff also inquired if the Owner knew what percentage of students enroll independently. The Owner stated that 80-85 percent of students pay themselves.

On March 21, 2022, the Bureau received a new complaint with the same allegations against the Institution. The complaint stated that the Institution was operating unapproved and is charging \$3,500.00 and \$4,000.00 for their programs.

On April 5, 2022, Bureau staff called and inquired with the Owner if the Institution offers training programs and accepts students with no experience, in which the Owner responded that they do.

Through the course of the investigation, it was determined that the Institution is operating without Bureau approval or a valid exemption.

Order of Abatement:

The Bureau orders that the Institution cease to operate as a private postsecondary educational institution unless the Institution qualifies for an exemption under CEC section 94874. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any form or type of media, including www.ctmwelding.com, and any other websites not identified here that are associated with the Institution, until such time as an approval to operate is obtained from the Bureau. The Institution must disconnect all telephone service numbers including, but not limited to, (714) 577-9353, that are associated with the Institution until such time as an approval to operate is obtained from the Bureau. To comply with the Order of Abatement the Institution must submit a school closure plan to the Bureau pursuant to California Education Code section 94926. The Institution must provide a roster of each student currently enrolled at the Institution. The roster must include the names of the students, their contact information (including phone number, email address, and physical address), the programs in which they are enrolled, the amount paid for the programs.

Assessment of Fine

The fine for this violation is \$25,000.00

TOTAL ADMINISTRATIVE FINE DUE: \$25,000.00

ASSESSMENT OF A FINE

In accordance with CEC section 94944; and 5, CCR section 75020(b), the Bureau hereby orders this assessment of a fine in the amount of \$25,000.00 for the violations described above. Payment must be made, to the Bureau, within 30 days from the date of service of the Citation.

COMPLIANCE WITH ORDER OF ABATEMENT

In accordance with the provisions of 5, CCR section 75020 (b) the Bureau hereby issues the order(s) of abatement described above. In accordance with Business and Professions Code Section 149, the Bureau may disconnect any telephone service numbers used by an unapproved Institution. Evidence of compliance with the order(s) of abatement must be submitted, to the Bureau, within 30 days from the date of service of the Citation.

APPEAL OF CITATION

You have the right to contest this Citation through an informal conference with the Bureau; and/or through an administrative hearing in accordance with Chapter 5 (Commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you wish to contest this Citation, you must submit the 'Notice of Appeal of Citation – Request for Informal Conference and/or Administrative Hearing' form (enclosed) within 30 days from the date of service of the Citation. If you do not request an informal conference and/or an administrative hearing within 30 days from the service of the Citation, you will not be able to request one at a later time.

Unless a written request for an informal conference and/or an administrative hearing is signed by you and delivered to the Bureau by **June 10, 2022,** you will be deemed to have waived or forfeited your right to appeal this matter.

EFFECTIVE DATE OF CITATION

If you do not request an informal conference and/or an administrative hearing, this Citation shall become effective on **May 11, 2022**. Payment of the administrative fine and evidence of compliance with the order(s) of abatement shall be due by **June 10, 2022**. Your payment of the administrative fine shall not constitute an admission of the violation(s) charged.

If a hearing is requested, you will not be required to comply with this Citation until 30 days after a final order is entered against you.

Payment of the administrative fine and/or written request for appeal must be mailed to:

Tessa Barron, Discipline Citation Program Bureau for Private Postsecondary Education 1747 N. Market Blvd., Suite 225 Sacramento, CA 95834 Failure for an applicant or institution to abate the violation(s) listed above or to pay the administrative fine within the time allowed may result in denial of an application for an approval or renewal to operate; disciplinary action, and/or collection action. The Bureau will promptly take all appropriate action to enforce this Citation and recover the civil penalties prescribed therein or found to be due after a hearing.

CONTACT INFORMATION

If you have any questions regarding this Citation, or desire further information, please contact Tessa Barron, Citation Analyst, at (916) 574-7791 or Tessa.Barron@dca.ca.gov.

"Original signature on file"	"5/11/2022"
Christina Villanueva Discipline Manager	Date

Enclosures

- > Applicable Laws Violated
- > Statement of Rights: Appeal Process Information Sheet
- Notice of Appeal of Citation: Request for Informal Conference and/or Administrative Hearing
- > Payment of Fine Waiver of Appeal
- Declaration of Service by Certified and First-Class Mail