

**BEFORE THE DIRECTOR
DEPARTMENT OF CONSUMER AFFAIRS
BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
STATE OF CALIFORNIA**

In the Matter of the Citation Against:

CA TRADE ACADEMY, RAMONA LAWSON-HALEY, TRENA LAWSON

Citation No.: 2122011

OAH Case No.: 2022060372

Respondent.

DECISION AND ORDER

The attached Proposed Decision of the Administrative Law Judge is hereby accepted and adopted by the Director of the Department of Consumer Affairs as the Decision in the above-entitled matter.

This Decision shall become effective on February 9, 2023.

It is so ORDERED January 4, 2023.

“Original Signature on File”

RYAN MARCROFT
Deputy Director
Legal Affairs Division
Department of Consumer Affairs

**BEFORE THE
BUREAU FOR PRIVATE POSTSECONDARY EDUCATION
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Citation Against:

CA TRADE ACADEMY,

RAMONA LAWSON-HALEY, TRENA LAWSON, Respondents.

Agency Case No. 2122011

OAH No. 2022060372

PROPOSED DECISION

Harden Soaper, Administrative Law Judge (AU), Office of Administrative Hearings (OAH), State of California, heard this matter by videoconference on December 8, 2022.

Vinodhini Ramagopal, Deputy Attorney General, represented complainant Christina Villanueva, Discipline Manager of the Bureau for Private Postsecondary Education (Bureau), Department of Consumer Affairs.

Respondents Ramona Lawson-Haley and Trena Lawson appeared on their own behalf.

The AU received oral and documentary evidence. The record was closed and the matter was submitted for decision on December 8, 2022.

SUMMARY

Complainant issued a Citation to respondents for failure to pay CA Trade Academy's 2021 annual fee. Complainant seeks an Order of Abatement, requiring respondents to pay the annual fee and any applicable late payment penalties. The parties did not dispute the 2021 annual fee is unpaid and was incurred by the institution before respondents Ramona Haley-Lawson and Trena Lawson assumed ownership. However, respondents' contention that the prior owner remained responsible for paying the fee is unsupported by the Bureau's regulations and applicable statutes. Complainant therefore established cause to affirm the Citation and order respondents to pay the 2021 annual fee.

FACTUAL FINDINGS

Jurisdictional Matters

1. On July 29, 2021, complainant issued respondents citation number 2122011 (Citation). The Citation alleges respondents failed to pay the 2021 annual fee for CA Trade Academy, institution code 45567541 (Institution), in violation of California Code of Regulations, title 5 (CCR), section 74006, subdivisions (a) and (b). The Citation included an order of abatement, requiring respondents to pay the 2021 annual fee, along with all applicable late fees, within 30 days from the date of service of the Citation. Complainant did not impose an administrative fine.

2. On August 9, 2021, the Bureau received a Notice of Appeal from respondents, requesting an informal conference and an administrative hearing.

3. On September 8, 2021, the parties conducted an informal telephone conference. In a letter dated September 29, 2021, the Bureau affirmed the Citation, stating no new substantive facts were presented at the informal conference.

Background

4. On May 29, 2021, respondents Ramona Lawson-Haley and Trena Lawson assumed ownership of the Institution. Before changing ownership, the Institution's name was CA College of Arts & Technology. Its current name is CA Trade Academy. The institution code remained the same before and after the ownership change.

2021 Annual Fee

5. The Bureau sends annual fee invoices to each approved institution at least 30 to 90 days before the due date. Each institution calculates its annual fee owed, based on its annual gross revenue. If an institution does not timely pay its annual fee, it must pay additional penalty fees.

6. On March 1, 2021, the Bureau notified the Institution its annual fee for calendar year 2021 was due on April 1, 2021. The Bureau mailed the notice to an address in Upland.

7. On May 17, 2021, the Bureau sent the Institution a second notice, stating its annual fee was due on April 1, 2021. The Bureau mailed the second notice to the same address in Upland as it sent the first notice.

8. On July 15, 2021, the Bureau sent the Institution a third notice, stating its annual fee was due on April 1, 2021. The Bureau mailed the third notice to an address in Ontario.

9. Respondent Trena Lawson testified she and respondent Ramona Lawson-Haley were unaware of the outstanding 2021 annual fee until they received the July 15, 2021 notice. Respondent Lawson testified the prior notices went to an address associated with the prior owner of the Institution.

10. In a letter to the Bureau dated August 11, 2021, respondent Ramona Lawson-Haley enclosed a check in the amount of \$3,375, payable to the Bureau for the Institution's 2021 annual fee, with penalties and interest. Respondent Lawson-Haley stated in the letter respondents "feel [the fee is] the liability of the prior owner" and indicated respondents were in the process of appealing the Citation. (Ex. 4, p. A38.) In her testimony at hearing, respondent Trena Lawson reiterated her belief that the 2021 annual fee is the responsibility of the Institution's prior owner.

11. For reasons undisclosed by the evidence, the \$3,375 check was not processed by the Bureau. The evidence also did not disclose whether \$3,375 is the correct amount due to the Bureau for the Institution's 2021 annual fee and associated penalty fees.

12. The annual fees are assessed on the Institution, not its owners. Jennifer Juarez, a Bureau Staff Services Manager who oversees the annual fee unit, testified it is the responsibility of the new owner to pay any outstanding fees owed by the Institution. Despite sending in the \$3,375 check, respondents do not dispute they have not yet paid the fee owed.

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LEGAL CONCLUSIONS

Burden and Standard of Proof

1. The Bureau has the burden of proving by a preponderance of the evidence the facts alleged in the Citation and that the requested order of abatement is warranted. (Evid. Code, § 115; *Owen v. Sands* (2009) 176 Cal.App.4th 985.) "Preponderance of the evidence" means evidence that has more convincing force than that opposed to it. (*People ex rel. Brown v. Tri-Union Seafoods, LLC*(2009) 171 Cal.App.4th 1549, 1567.)

Applicable Law

2. The Bureau shall issue a citation to an institution for a violation of its regulations. The citation may contain an order of abatement. (Ed. Code, § 94936, subds. (a), (b).)

3. Education Code section 94930.5 describes various fees an institution shall remit to the Bureau for deposit in the Postsecondary Education Administration Fund. Effective July 1, 2018, the annual fee for each campus shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than \$2,500 and not to exceed \$60,000 for each campus. (Ed. Code, § 94930.5, subd. (g).) A fee that is not paid before the 90th calendar day after the due date for payment of the fee shall be subject to a 35 percent late payment penalty fee. (Ed. Code, § 94931, subd. (b).)

4. An institution's annual fee is due within 30 days of the date on which the institution originally receives its approval to operate and each year thereafter on the

anniversary of the date of the original approval. An institution shall pay its annual fee in addition to any other applicable fees. (CCR, § 74006, subds. (a), (b).)

Cause to Affirm Citation

5. Complainant established by a preponderance of evidence respondents did not pay the Institution's 2021 annual fee due to the Bureau. Respondents do not dispute they have not paid the fee. Respondents contend the prior owner of the Institution is responsible for payment of the 2021 annual fee, because the Institution incurred the fee before respondents Ramona Haley-Lawson and Trena Lawson assumed ownership of the Institution. However, the annual fee is assessed by the Bureau on the Institution, not the owners. Therefore, when they took ownership of the Institution, respondents Haley-Lawson and Lawson assumed responsibility for the Institution's unpaid 2021 annual fee. The Bureau's regulations allow the Bureau to issue a citation if an institution fails to timely pay fees. The regulations do not differentiate between whether the unpaid fee accrued under previous or current ownership. Cause therefore exists to affirm the Bureau's Citation for respondent's violation of CCR, section 74006, subdivisions (a) and (b).

Amendment to Order of Abatement

6. Based on respondents' violation of the Bureau's regulations described above, complainant established by a preponderance of evidence cause to issue the order of abatement contained within the Citation, with an amendment. Respondents should be ordered to pay the unpaid 2021 annual fee. However, imposing late payment penalty fees is unduly punitive under the facts and circumstances of this case. When respondents Ramona Haley-Lawson and Trena Lawson assumed ownership of the Institution, the 2021 annual fee was already almost 60 days past due. Thereafter,

respondents maintained a good faith belief that the prior owner remained responsible for payment of the 2021 annual fee. Therefore, respondents will be ordered only to pay the 2021 annual fee, without any additional late payment penalty fees.

ORDER

1. Citation number 2122011 issued against respondents CA Trade Academy, Ramona Lawson-Haley, and Trena Lawson is affirmed, with an amended order of abatement.

2. Respondents shall pay the Institution's 2021 annual fee to the Bureau within 30 days of the effective date of this decision.

3. If respondents do not pay the fee on or before the 30th calendar day after the effective date of this decision, the fee shall be subject to late payment penalty fees, as set forth in Education Code section 94931.

DATE: 12/22/2022

"Original Signature on File"

HARDEN SOOPER
Administrative Law Judge
Office of Administrative Hearings



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APPEAL OF CITATION INFORMAL CONFERENCE
DECISION: CITATION AFFIRMED

September 29, 2021

Romona Lawsonhaley, Owner
Trena Lawson, Owner
CA Trade Academy
2409 S. Vineyard Avenue, Suite F
Ontario, CA 91761

Date of Issuance	Citation Number	Institution Code
September 29, 2021	2122011	45567541

On September 8, 2021, an informal telephone conference was held in the matter of Citation: Order of Abatement No. 2122011 (Citation) against Ramona Lawsonhaley and Trena Lawson, Owner of CA Trade Academy (Institution). In attendance Ebony Santee, Licensing Chief, Romona Lawson, Owner/School Director, and Trena Lawson, Owner.

Pursuant to Business and Professions Code, section 125.9; California Education Code, section 94936; and Title 5 of the California Code of Regulations, section 75020 and section 75040, the Bureau for Private Postsecondary Education (Bureau) renders the following decision relative to your appeal of the Citation No.2122011

It is the decision of the Licensing Chief that on September 20, 2021, Citation No. 2122011 is affirmed for the following reason(s):

- ▶ - No new substantive facts were presented at the conference.

VIOLATION CODE SECTIONS

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.

- Violation:**
5, CCR Section 74006(a) and (b) - Annual Fee
"(a) An institution's annual fee is due within 30 days of the date on which the institution originally receives its approval to operate and each year thereafter on the anniversary of the date of the original approval. (b) An institution shall pay its annual fee in addition to any other applicable fees.

CEC Section 94930.5 (g) Fee Schedule
"(g) Notwithstanding subdivision (d), effective July 1, 2018, the annual fee for each campus described in subparagraphs (A) and (B) of paragraph (1) of subdivision (d) shall be in an amount equal to 0.55 percent of that campus' total gross revenue derived from students in California, but not to be less than

two thousand five hundred dollars (\$2,500) and not to exceed sixty thousand dollars (\$60,000) for each campus."

CEC Section 94931(b)- Late Payment

"(b) A fee that is not paid on or before the 90th calendar day after the due date for payment of the fee shall be subject to a 35 percent late payment penalty fee."

The Institution has failed to pay its annual fee for calendar year 2021.

On March 1, 2021, the Institution was notified, Invoice# 900355969 via mail at 1520 Majesty Street, Upland, CA 91784, stating that the annual fee for calendar year 2021 was due on April 1, 2021.

On May 17, 2021, the Institution was notified, Invoice# 900357776 via mail at 1520 Majesty Street, Upland, CA 91784, stating that the annual fee for calendar year 2021 was due on April 1, 2021.

July 15, 2021, the Institution was notified, Invoice# 900357776 via mail at 2409 S. Vineyard Avenue, Suite F, Ontario, CA 91761, stating that the annual fee for calendar year 2021 was due on April 1, 2021.

As of July 29, 2021, the Bureau has not received the annual fee from the Institution.

Order of Abatement:

The Bureau orders the Institution to submit its annual fees for calendar year 2021 in accordance with S, CCR section 74006(a)(b) and CEC section 94930.S(g). In addition, the Institution must pay all late payment penalty fees.

Assessment of Fine

The fine for this violation is \$00.00

TOTAL AFFIRMED ADMINISTRATIVE FINE DUE: \$00.00

ORDER OF ABATEMENT

The Bureau orders that you comply with the orders described in the 'Violation Code Sections' of this document and submit evidence of compliance within 30 days from the date of this decision.

APPEAL OF CITATION

You *do not* have the right to request another Informal Conference to appeal this affirmed Citation. You *do*, however, have the right to appeal this affirmed Citation through an Administrative Hearing. A hearing before an Administrative Law Judge will be scheduled and you will be notified of the hearing date. The hearing will be held pursuant to Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

If you do not wish to appeal this affirmed Citation you must withdraw your initial request for an Administrative Hearing, if one was made. Please complete and mail the enclosed Withdrawal - Request for Administrative Hearing within **30 Days** of the date of this decision.

EFFECTIVE DATE OF CITATION

This affirmed Citation is effective on **September 29, 2021**. The order of abatement is due by **October 29, 2021**.

Failure to abate the violation within the time allowed is grounds for denial of an application for an approval to operate or discipline. The Bureau will promptly take all appropriate action to enforce the Affirmed 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 decision or desire further information, please contact Gabriella Perez, Citation Analyst, at (916) 574--8969 or at Gabriella.Perez@dca.ca.gov.

"Original Signature on File"

Christina Villanueva

Discipline Manager

"9/29/2021"

Date

Enclosures

- ▶ Waiver of Appeal Rights
- ▶ Withdrawal- Request for Administrative Hearing
- ▶ Declaration of Service by Certified and First-Class Mail