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CITATION: ASSESSMENT OF FINE AND ORDER OF ABATEMENT

To: Arash Abbassi, Owner Encore Flight Academy 7900 Balboa Blvd Suite D3 Van Nuys, CA 91406

INSTITUTION CODE: Unapproved CITATION NUMBER: 1819095 CITATION ISSUANCE/SERVICE DATE: January 24, 2019 DUE DATE: February 23, 2019 FINE AMOUNT: \$ 100,000.00 ORDER OF ABATEMENT INCLUDED: Yes

Beth Scott issues this Citation: Assessment of Fine and Order of Abatement (Citation) in her official capacity as Enforcement Chief for the Bureau for Private Postsecondary Education (Bureau) of the California Department of Consumer Affairs.

CITATION

A Citation is hereby issued to Arash Abbassi, Owner of Encore Flight Academy (Institution) located at 7900 Balboa Blvd., Suite D3, Van Nuys, CA 91406 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 February 17, 2017, the Bureau received a complaint against the Institution from a student, C.H., who was charged \$49,600.00 for the following training: Private Pilot License, Multi-Engine Rating, Instrument Rating, and Commercial Multi-Rating. C.H. alleged the Institution had poor quality instruction and C.H. was looking for a refund.

On October 9, 2017, the Bureau received a copy of the signed student contract between the Institution and student C.H. demonstrating total charges of \$49,600.00. Bureau staff reviewed the signed student contract and discovered the Institution accepted a \$10,000.00 down payment. The Institution does not meet the exemptions outlined by CEC section 94874 (j) as they accepted a prepayment in excess of \$2500.00 and the Institution had a written contract with the student.

On August 16, 2018, Bureau staff discovered a website under www.encoreflight.com which advertises the following programs: Commercial Pilot Program for \$62,500.00, Private Pilot Training for \$8,500.00 (minimum FAA requirements), \$11,600.00 (standard), \$13,200.00 (comprehensive),

Page 1 of 4 Citation: Assessment of Fine and Order of Abatement Arash Abbassi, Owner, of Encore Flight Academy Institution Code: Unapproved Instrument Rating Course for \$10,600.00, Multi-Engine Course for \$4,700.00, Private Pilot License, Multi-Engine Rating, and Instrument Rating for \$29,300.00, and a Flight Instructor Course for \$7,900.00. Based on this information, the Bureau determined the Institution is conducting business as a private postsecondary educational institution without Bureau approval at 7900 Balboa Blvd., Suite D3, Van Nuys, CA, 91406. As of January 24, 2019, the Institution continues to offer courses through its website.

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 August 16, 2018, Bureau staff discovered the Institution advertises the following programs and pricing from its website www.encoreflight.com: Commercial Pilot Program for \$62,500.00, Private Pilot Training for \$8,500.00 (minimum FAA requirements), \$11,600.00 (standard), and \$13,200.00 (comprehensive), Instrument Rating Course for \$10,600.00, Multi-Engine Course for \$4,700.00, Private Pilot License, Multi-Engine Rating, and Instrument Rating for \$29,300.00, and a Flight Instructor Course for \$7,900.00.
	Based on the Bureau's investigation, the Bureau found the Institution is operating as a private postsecondary educational institution located at 7900 Balboa Blvd., Suite D3, Van Nuys, CA 91406 and is not exempt from the provisions of the California Private Postsecondary Act. The Institution falls under the definition of a private postsecondary educational institution under CEC section 94858. The Institution continues to operate as a private postsecondary educational institution without Bureau approval.
	Order of Abatement: The Bureau orders that the Institution cease to operate as a private postsecondary educational
	institution. The Institution must discontinue recruiting or enrolling students and cease all instructional services and advertising in any form or type of media, including www.encoreflight.com,
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Assessment of Fine

The fine for this violation is \$100,000.00

TOTAL ADMINISTRATIVE FINE DUE: \$100,000.00

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 **\$100,000.00** for the violations described above. **Payment must be made, to the Bureau, within** <u>**30 days**</u> 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 <u>30 days</u> 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 <u>30 days</u> 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 **February 23, 2019,** 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 **January 24, 2019.** Payment of the administrative fine and evidence of

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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:

Gurinder Sandhu, Discipline Citation Program Bureau for Private Postsecondary Education 2535 Capitol Oaks Drive, Suite 400 Sacramento, CA 95833

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 Gurinder Sandhu, Citation Analyst, at 916-431-6940 or Gurinder.Sandhu@dca.ca.gov.

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Beth Scott Enforcement Chief

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