
SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair
2015 - 2016 Regular

Bill No: AB 1835
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Version: April 25, 2016
Urgency: No
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Hearing Date: June 29, 2016
Fiscal: Yes

Subject: California Private Postsecondary Education Act of 2009: minimum operating standards: exemptions

SUMMARY

This bill provides a limited exemption from minimum operating standards and accreditation requirements for approval by the Bureau for Private Postsecondary Education (Bureau), to institutions that grant doctoral degrees in psychoanalysis, provided that these institutions satisfy specified conditions, including a requirement that all of the students hold master's or doctoral degrees before enrolling in the institution.

BACKGROUND

Existing law:

- 1) Establishes the California Private Postsecondary Education Act of 2009 (Act) until January 1, 2017, and requires the Bureau within the Department of Consumer Affairs to, among other things, to review, investigate and approve private postsecondary institutions, programs and courses of instruction pursuant to the Act and authorizes the Bureau to take formal actions against an institution/school to ensure compliance with the Act and even seek closure of an institution/school if determined necessary. The Act also provides for specified disclosures and enrollment agreements for students, requirements for cancellations, withdrawals and refunds, and that the Bureau shall administer the Student Tuition Recovery Fund (STRF) to provide refunds to students affected by the possible closure of an institution/school. (Education Code § 94800, et seq.)
- 2) Provides for numerous exemptions from the Act for specific types of institutions, including, but not limited to, an institution that is accredited by the Accrediting Commission for Senior Colleges (ACSC) and Universities, Western Association of Schools and Colleges (WASC), or the Accrediting Commission for Community and Junior Colleges (ACCJC). (EC § 94874)
- 3) Defines "accredited" to mean an institution that is accredited by an accrediting agency recognized by the United States Department of Education (USDE). (EC § 94813)
- 4) Defines an "accrediting agency" as an agency recognized by the United States Department of Education (USDE). (EC § 94814)

- 5) Requires the Bureau to adopt by regulation minimum operating standards for an institution to ensure that the program can achieve its objective; the facilities and instructional equipment and material are sufficient to enable the program; the administrators and faculty are qualified; the institution maintain written and relevant standards for student admissions, as well as maintains a withdrawal policy and provides refunds; gives students a document signifying the degree or diploma awarded; maintains records and standard transcripts; and, is accredited by an accrediting agency or is in the process of accreditation. (EC § 94885)
- 6) Requires an unaccredited institution that is approved to operate and to offer degree programs by the Bureau prior to January 1, 2015, to submit an accreditation plan to the Bureau, to obtain pre-accreditation, by July 1, 2017, to obtain accreditation, by July 1, 2020, and to comply with various student disclosures and review requirements. (EC § 94885.1)
- 7) Defines “approval to operate” or “approval” to mean the authorization to offer to the public and to provide postsecondary educational programs, as well as the written document issued to an institution signifying its approval to operate. (EC § 94817)
- 8) Under the Medical Board of California (MBC), authorizes graduates of the Southern California Psychoanalytic Institute, the Los Angeles Psychoanalytic Society and Institute, the San Francisco Psychoanalytic Institute, the San Diego Psychoanalytic Center or institutes deemed equivalent by the MBC who have completed clinical training in psychoanalysis to engage in psychoanalysis as an adjunct to teaching, training, or research and hold themselves out to the public as psychoanalysts. (Business and Professions Code § 2529)
- 9) Provides that students in those institutes may engage in psychoanalysis under supervision, if the students and graduates do not hold themselves out to the public by any title or description of services incorporating the words “psychological,” “psychologist,” “psychology,” “psychometrists,” “psychometrics,” or “psychometry,” or that they do not state or imply that they are licensed to practice psychology. Authorizes those students and graduates seeking to engage in psychoanalysis to register with MBC presenting evidence of their student or graduate status. (Business and Professions Code § 2529)

ANALYSIS

- 1) This bill provides an exemption from minimum operating standards and accreditation requirements for approval by the Bureau for Private Postsecondary Education (Bureau), to institutions that grant doctoral degrees in psychoanalysis if and as long as, it satisfies all of the following conditions;
 - a) All of the institution’s students hold master’s or doctoral degrees before they enroll in the institution.
 - b) All of the institution’s students, other than research students regulated by the Medical Board of California, hold a valid professional license authorizing the individual to practice psychotherapy that remains valid

during their enrollment and carry current malpractice insurance in their respective fields.

- c) The institution does not accept federal student aid.
 - d) The institution is a nonprofit entity.
 - e) The institution has obtained accreditation from, or has submitted a self-study application to, the Accreditation Council for Psychoanalytic Education on or before July 1, 2018.
- 2) Sunsets the exemption July 1, 2021

STAFF COMMENTS

- 1) ***Need for the bill.*** Current law requires the Bureau for Private Postsecondary Education (Bureau) to adopt by regulation minimum operating standards and imposes accreditation requirements for certain institutions. The author notes, "That the 2014 reforms of the Private Postsecondary Education Act (Act) provided certain exemptions for graduate programs primarily aimed at licensed professionals in California. However, several psychoanalysis non-profit professional postgraduate programs received a notice of noncompliance for not meeting the national accreditation requirement. Because of the relatively small nature of the training programs and their states as providers of continuing education, there is no national accreditation body for these programs." This bill provides a limited exemption only from minimum operating standards and accreditation requirements for approval by the Bureau, specifically to institutions that grant doctoral degrees in psychoanalysis thereby allowing the institutions to continue to operate under the specified conditions.
- 2) ***California Private Postsecondary Education Act (Act).*** The state's program for regulation of private postsecondary and vocational education institutions has historically been plagued with problems. During the late 1980's, California developed a reputation as the "diploma mill capital of the world."

After numerous legislative attempts to remedy the laws and structure governing regulation of private postsecondary institutions, AB 48 (Portantino, Chapter 310, Statutes of 2009) was enacted to establish the California Private Postsecondary Education Act of 2009 (Act), which took effect January 1, 2010. The Act provided the regulatory framework for oversight of private postsecondary educational institutions operating with a physical presence in California.

The Act requires all unaccredited colleges in California to be approved by the Bureau, and all nationally accredited colleges to comply with numerous student protections. It also establishes prohibitions on false advertising and inappropriate recruiting. The Act requires disclosure of critical information to students such as program outlines, graduation and job placement rates, and license examination information, and ensures colleges justify those figures. The Act also guarantees

students can complete their educational objectives if their institution closes its doors while providing the Bureau with enforcement powers necessary to protect consumers.

In 2014, SB 1247 (Lieu, Chapter 840, Statutes of 2014) amended the Act to, among other things address concerns about the ongoing approval by the Bureau of unaccredited institutions offering degrees as these institutions are unlikely to be recognized by accredited institutions for purpose of transfer, or by many employers. The Act now requires degree granting institutions to be accredited by an agency recognized by the United States Department of Education (USDE) or if no programmatic accreditation is available, to seek regional accreditation by the WASC Senior College and University Commission by July 1, 2020.

- 3) ***What is accreditation?*** Accreditation is a baseline measure used to determine academic quality for educational or professional institutions and programs. Accrediting agencies are private organizations that establish operating standards for educational or professional institutions and programs, determine the extent to which the standards are met, and publicly announce their findings. Under federal law, the U.S. Department of Education (USDE) establishes the general standards for accreditation agencies and is required to publish a list of recognized accrediting agencies that are deemed reliable authorities on the quality of education provided by their accredited institutions. There are three basic types of accreditation:
- a) **Regional Accreditation:** There are six USDE-recognized regional accrediting agencies. Each regional accreditor encompasses public, the vast majority of non-profit private (independent), and some for-profit postsecondary educational institutions in the region it serves. California's regional accrediting agency is separated into two commissions: the Accrediting Commission for Community and Junior Colleges (ACCJC) and the Senior College and University Commission (WASC-Sr.).
 - b) **National Accreditation:** National accreditation is not based on geography, but more focused to evaluate specific types of schools and programs. National accreditation is designed to allow nontraditional colleges (trade schools, religious schools, certain online schools) to be compared against similarly designed institutions. Different standards and categories are measured, depending on the type of institution.
 - c) **Specialized/Programmatic Accreditation:** Offered by accrediting agencies that represent specific fields of study, these agencies do not accredit entire colleges but instead accredit the programs within colleges that prepare students for the specific field or industry. In most cases, specialized accreditation alone does not enable participation in state and federal financial aid programs.

As noted, the Act requires degree granting institutions to be accredited by an agency recognized by the USDE. This bill exempts psychoanalysis non-profit professional postgraduate programs from that requirement for a limited period of time. This bill, instead, requires psychoanalysis institutions to seek accreditation

from Accrediting Council for Psychoanalytic Education, by July 1, 2017. Staff notes that the Accrediting Council for Psychoanalytic Education is not a U.S. Department of Education (USDE) accrediting agency and it's unclear if this entity is seeking recognition by the USDE. Absent the exemption provided by the provisions in this bill psychoanalytic programs will be out of compliance with the Act and would have to close. Additionally, if the Accrediting Council for Psychoanalytic Education does not obtain USDE recognition by the sunset date implemented by this bill, the psychoanalytic programs will be out of compliance with the Act at that time.

- 4) **Bureau Sunset Review.** On March 28, 2016, the Business, Professions and Economic Development Committee (BPED Committee) convened a joint hearing that included Senate Education, Assembly Committees on Higher Education and Business, Professions and Consumer Protection. The background paper for the hearing raised various issues, including, among other things, exemptions and the numerous attempts to create additional exemptions for certain institutions or programs. The background paper also notes that many unaccredited degree-granting institutions have contacted the Committees, citing opposition to the requirement to obtain accreditation.
- 5) **Exemption solely applicable to institutions serving post-graduate students.** This bill is limited to nonprofit psychoanalysis institutions that enroll students with master's degrees or doctoral degrees, and students must hold a valid professional license to practice psychotherapy or be a research candidate in psychoanalysis registered with the Medical Board of California. The author asserts that psychoanalysis students are older, savvier students that hold advanced degrees and professional licenses. Staff notes, these students would not qualify for state financial aid programs like Cal Grant because of the post-graduate status. Additionally, in order to claim the exemption provided by the provisions in this bill an institution may not accept federal student aid dollars.
- 6) **Psychoanalytic studies.** According the Accrediting Council for Psychoanalytic Education, "psychoanalysis is a specific form of individual psychotherapy that aims to bring unconscious mental elements and processes into awareness in order to expand an individual's self-understanding, enhance adaptation in multiple spheres of functioning, alleviate symptoms of mental disorder, and facilitate character change and emotional growth." According to the author, "beginning in the early 1990's the field of psychoanalysis began to develop within the mental health community. Several non-profit educational institutions were established to provide medical professional post-graduate, continuing education training in the emerging field."
- 7) **Double-referral.** This bill was double-referred, having been previously heard by the Senate Committee on Business, Professions and Economic Development on June 13, 2016 and approved on a 9-0-1 vote.

SUPPORT

Institute of Contemporary Psychoanalysis
Newport Center for Psychoanalytic Studies

Psychoanalytic Center of California

OPPOSITION

None received.

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