

SUPERIOR COURT OF CALIFORNIA,

COUNTY OF SAN DIEGO

HALL OF JUSTICE

TENTATIVE RULINGS - May 12, 2022

EVENT DATE: 05/13/2022

EVENT TIME: 02:00:00 PM

DEPT.: C-67

JUDICIAL OFFICER: Eddie C Sturgeon

CASE NO.: 37-2018-00046134-CU-MC-CTL

CASE TITLE: THE PEOPLE OF THE STATE OF CALIFORNIA VS ASHFORD UNIVERSITY LLC
[EFILE]

CASE CATEGORY: Civil - Unlimited

CASE TYPE: Misc Complaints - Other

EVENT TYPE: Motion Hearing (Civil)

CAUSAL DOCUMENT/DATE FILED: Motion - Other, 04/21/2022

1. Motion to Seal

Plaintiff People of the State of California's unopposed Motion to Seal (ROA 561) is **GRANTED**. The People requested that the following materials be sealed:

A. Exhibit 1 to the Declaration of Chad S. Hummel in support of Defendants' Motion in Limine #3 filed on September 14, 2021. Exhibit 1 consists of a complaint filed by a former student with the California Attorney General's Public Inquiry Unit and contains personal information of that student.

B. Exhibit 2 to the Declaration of Chad Hummel in support of Defendants' Motion in Limine #3 filed on September 14, 2021. Exhibit 2 consists of a complaint filed by a former student with the California Attorney General's Public Inquiry Unit and contains personal information of that student.

C. Exhibit 3 of the Declaration of Chad S. Hummel in Support of Defendants' Motion in Limine #8 filed on September 14, 2021. Exhibit 3 consists of the People's responses to Defendants' Fourth Set of Special Interrogatories and contains personal information of students and/or employees of Defendants, as well as references to specific debt amounts owed by students.

These documents were lodged with the court and filed with redactions. Defendants agreed not to oppose the motion. (See ROA 562.) To the degree the need for this motion was mooted by the stipulation entered on March 16, 2022 (ROA 708) or any other agreement, the parties are directed to inform the court.

2. Motion for New Trial

Defendants Ashford University LLC and Zovio, Inc.'s Motion for New Trial is **DENIED**.

A motion for new trial "shall not be granted . . . unless after weighing the evidence the court is convinced from the entire record, including reasonable inferences therefrom, that the court . . . clearly should have reached a different verdict or decision." (Code Civ. Proc. § 657.) After considering the entire record, the court is not persuaded that it should have reached a different decision or that any miscarriage of justice has occurred.

Although Defendants reads Business and Professions Code sections 17206 subdivision (b) and Section 17536 subdivision (b) as requiring the court to have looked at Zovio's assets, liabilities, and net worth, a plain reading of the statutory language confirms that each and every consideration is not mandatory. (*People v. First Federal Credit Corp.* (2002) 104 Cal.App.4th 721, 729 ["[G]iving the statutes their

ordinary meaning, a defendant's financial condition is only one of at least six relevant factors a court may consider in determining an appropriate penalty, and the court is authorized to impose a penalty based on evidence as to *any one or more* of the enumerated factors."].) Further, the penalties were appropriate and reasonably imposed in furtherance of the goals of the UCL and FAL and were in no respect in violation of Defendants' due process rights. Finally, the court declines Defendants' invitation to revisit issues already considered during the trial and addressed in its Statement of Decision including entitlement to nationwide penalties and the statistical methodology offered by Plaintiff. The motion is denied.

3. Motion for Relief from Bond Requirement

In considering the entire record, the court does not find that Zovio is an indigent for the purposes of Code of Civil Procedure section 995.240. However, the court will hear from the parties regarding whether the bond should be stayed or reduced.