



THE SECRETARY OF EDUCATION
WASHINGTON, DC 20202

In the matter of

ELITE ACADEMY OF BEAUTY ARTS,

Respondent.

Docket No. 15-60-SP

Federal Student Aid Proceeding

ORDER TO SET ASIDE AND REMAND

Elite Academy of Beauty Arts (Elite) has appealed a November 27, 2017, decision by Chief Administrative Law Judge (Chief ALJ) Rod Dixon finding Elite liable to pay \$1,108,414.77 to the Department based on deficiencies in Elite's conduct administering Title IV student aid funds.

Elite has filed a motion to remand the case to the Office of Hearings and Appeals for assignment to a new judge for rehearing. Elite's motion is based on the U.S. Supreme Court's decision in *Lucia v. Securities and Exchange Commission*, No. 17-130, in which the Court held that administrative law judges are "Officers of the United States." Elite contends that the Chief ALJ was not properly appointed to his office prior to hearing the case. Furthermore, under *Lucia*, Elite contends that the correct remedy for this deficiency is for a different ALJ with a proper appointment to hear the case.

Counsel for the Department has filed a response representing no opposition to Elite's motion. Based on this lack of opposition, I will grant Elite's motion. Accordingly, the decision under appeal is set aside and the case is remanded to OHA for assignment to a new ALJ for rehearing.

So ordered this 20th day of November 2018.

A handwritten signature in cursive script that reads "Betsy DeVos".

Betsy DeVos

Washington, D.C.

Service List

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