

SUBCHAPTER 400. REFUSAL TO ISSUE OR RENEW LICENSE

2B SBCCC 400.1 Standard for Refusing to Issue or Renew License

The State Board of Community Colleges (SBCC), by and through the State Board of Proprietary Schools (SBPS), may refuse to grant or renew a proprietary school license in accordance with G.S. 150B, Article 3, when a school fails to meet the requirements of the law and the rules adopted by the State Board of Community Colleges.

History Note: Authority G.S. 115D-89; 115D-93;

Eff. February 1, 2020.

2B SBCCC 400.2 Notice of Refusal and Right to Hearing

- (a) If the SBPS recommends refusal of a proprietary school's initial license or recommends nonrenewal of a proprietary school's license, the SBPS, by and through its Executive Director, shall document the rationale for its recommendation in a document to be titled, "Refusal to Recommend Initial Licensure or License Renewal."
- (b) The Executive Director shall send a copy of the "Refusal to Recommend Initial Licensure or License Renewal" to the chief administrator of the proprietary school at issue within five business days of the SBPS' recommendation with a copy to the following: 1) the Chair of the SBPS; 2) the NCCCS General Counsel; and 3) the NCCCS Executive Director of Communications.
- (c) In the "Refusal to Recommend Initial Licensure or License Renewal," the Executive Director shall advise the chief administrator or other agent of the proprietary school at issue of the right to provide a response and request an informal hearing with the SBPS prior to the SBCC's final agency decision to grant or deny licensure. The response and request for hearing must be in writing and signed by the chief administrator or other authorized agent of the proprietary school, and it must be issued to the Executive Director on behalf of the SBPS within 10 business days of receiving the "Refusal to Recommend Initial Licensure or License Renewal."
- (d) If the Executive Director does not receive the proprietary school's written response and request for hearing within 10 business days from the date the school received the

“Refusal to Recommend Initial Licensure or License Renewal” notice, the Executive Director shall submit the SBPS recommendation and “Refusal to Recommend Initial Licensure or License Renewal” to the SBCC. The SBCC shall consider the recommendation at its next regularly scheduled meeting and vote to grant licensure or deny licensure to operate one or more programs. The SBCC action to grant or deny licensure shall become the SBCC’s final agency decision on the proprietary school’s application. Within five (5) business days of the SBCC’s action, the NCCCS General Counsel shall notify the proprietary school of the SBCC’s final decision.

- (e) If the Executive Director receives a written response and request for hearing within 10 business days of the proprietary school administrator’s receipt of the “Refusal to Recommend Initial Licensure or License Renewal” notice, the Executive Director shall submit the written response and request for hearing to the following: 1) the Chair of the SBPS; 2) the NCCCS General Counsel; and 3) the NCCCS Director of Communications. The SBPS shall calendar the informal hearing within 60 days of the Executive Director’s receipt of the written response and request for hearing.

History Note: Authority G.S. 115D-89; 115D-93;

Eff. February 1, 2020.

2B SBCCC 400.3 Hearing Process

- (a) The Executive Director of the SBPS shall provide the proprietary school at least 10 business days’ notice of the date, time, and location of the informal hearing.
- (b) The party appearing on behalf of the proprietary school at issue shall be an official of the proprietary school or attorney representing the proprietary school.
- (c) The SBPS Chair or the Chair’s designee shall act as the Hearing Officer. The hearing shall be conducted as follows:
- (1) The proprietary school’s representative may present evidence for no more than one (1) hour in support of why the proprietary school’s application for a license should be approved. The Hearing Officer has the discretion to extend this time, if circumstances warrant.

- (2) The school's representative may present evidence in a question and answer format or a narrative format. The school may also offer exhibits into evidence and call witnesses. If witnesses are to be called, the school shall give the Executive Director at least five (5) business days- notice of whom the school intends to call.
- (3) The Hearing Officer or other SBPS members may ask questions at any time throughout the hearing.
- (4) The legal rules of evidence will not apply, but the Hearing Officer may direct the presentation to the issues relevant to licensure.
- (5) A court reporter will transcribe the hearing.

*History Note: Authority G.S. 115D-89; 115D-93; 150B-22;
Eff. February 1, 2020.*

2B SBCCC 400.4 SBCC Final Agency Decision

After the hearing detailed in 2B SBCCC 400.3, the SBPS shall make a final recommendation regarding the proprietary school's application for licensure to the SBCC. The SBCC shall consider the recommendation at its next regularly scheduled meeting and vote to grant licensure or deny licensure to operate one or more programs. The SBCC action to grant or deny licensure shall become the SBCC's final agency decision on the proprietary school's application. Within five (5) business days of the SBCC's action, the NCCCS General Counsel shall notify the proprietary school of the SBCC's final decision.

*History Note: Authority G.S. 115D-89; 115D-93; 150B-22;
Eff. February 1, 2020.*