



**NORTH CAROLINA COMMUNITY COLLEGE SYSTEM**

*Peter Hans, President*

22 January 2020

**MEMORANDUM**

**TO:** Members of the State Board of Community Colleges  
Community College Presidents  
Chairs of the Boards of Trustees  
Community College Chief Academic Officers, Chief Admissions Officers, Basic Law Enforcement Training, Basic Skills Directors, Business Officers, Continuing Education Officers, Customized Training Directors, Distance Learning, Chief Financial Officers, Financial Aid Officers, Public Information Officers, Registrars, Student Development Administrators, & Other Interested Parties

**FROM:** Jonathan R. Harris, *NCCCS General Counsel*

**RE: Adoption of 2B SBCCC Subchapter 300 – Exemptions from Licensure**

On 17 January 2020, the State Board of Community Colleges voted to adopt **2B SBCCC Subchapter 300 – Exemptions from Licensure**. This subchapter adds a new process for determining whether an entity needs a proprietary school license from the State Board of Proprietary Schools.

**The rule will be effective 1 February 2020. The new rule will be published on the NC Community College System's website, [www.nccommunitycolleges.edu/sbcccode](http://www.nccommunitycolleges.edu/sbcccode).** For your convenience, a copy of the rule in its final form is attached to this memorandum.

**CC20-009  
E-mail Copy**

Attachment



1                   **STATE BOARD OF COMMUNITY COLLEGES CODE**  
2                   **TITLE 2. COMMUNITY COLLEGES**

3  
4                   **CHAPTER B. DUE PROCESS**

5  
6                   **SUBCHAPTER 300. EXEMPTIONS FROM LICENSURE**  
7

8   **2B SBCCC 300.1 Claiming an Exemption from Licensure**

9   If an entity believes it is exempt from the licensure requirements found in Article 8 of  
10 Chapter 115D of the North Carolina General Statutes and in Title II of the State Board of  
11 Community Colleges Code, the entity may request from the Executive Director of the  
12 State Board of Proprietary Schools a decision as to whether the entity is exempt from  
13 licensure.

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

16                   *Eff. [February 1, 2020](#).*  
17

18   **2B SBCCC 300.2 Notice of Decision and Right to Hearing**

19   (a) If the Executive Director decides the entity is not exempt from licensure, it shall send  
20 the entity its decision, along with the rationale for the decision, in writing, via email or  
21 postal mail. The written decision shall advise the entity of the right to provide a  
22 response and request a hearing prior to the State Board of Community Colleges'  
23 (SBCC) final agency decision to grant or not grant an exemption. The response and  
24 request for a hearing must be in writing and signed by the chief administrator or  
25 other authorized agent of the entity. The entity has ten (10) business days from the  
26 date of receipt of the decision to request a hearing in front of the State Board of  
27 Proprietary Schools (SBPS).

28   (b) If the Executive Director does not receive a written request for hearing within ten  
29 (10) business days from the date the entity received the decision, the SBPS shall  
30 report this fact, along with a final agency decision recommendation to the State  
31 Board of Community Colleges to not grant an exemption.

2B SBCCC 300 is adopted as follows

- 1 (c) The SBCC shall consider the recommendation at its next regularly scheduled  
2 meeting and vote to grant or not grant an exemption. The SBCC action to grant or  
3 not grant an exemption shall become the SBCC's final agency decision. Within five  
4 (5) business days of the SBCC's action, the NCCCS General Counsel shall notify  
5 the entity of the SBCC's final decision.

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

8 *Eff. [February 1, 2020.](#)*

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10 **2B SBCCC 300.3 Hearing Process**

11 (a) The Executive Director shall provide the entity at least 10 business days' notice of  
12 the date, time, and location of the hearing.

13 (b) The party appearing on behalf of the entity shall be an official of the entity or an  
14 attorney representing the entity.

15 (c) The Chair of the SBPS or the Chair's designee shall act as the Hearing Officer. The  
16 hearing shall be conducted as follows:

17 (1) The entity's representative may present evidence for no more than one (1) hour  
18 in support of why the entity is exempt from licensure. The Hearing Officer has  
19 the discretion to extend this time, if circumstances warrant.

20 (2) The entity's representative may present evidence in a question and answer  
21 format or a narrative format. The entity may also offer exhibits into evidence.

22 (3) The Hearing Officer or other SBPS members may ask questions at any time  
23 throughout the hearing.

24 (4) The legal rules of evidence will not apply, but the Hearing Officer may direct the  
25 presentation to the issues relevant to the entity's claim to be exempt from  
26 licensure.

27

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

29 *Eff. [February 1, 2020.](#)*

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2B SBCCC 300 is adopted as follows

1 **2B SBCCC 300.4 SBCC Final Agency Decision**

2 After the hearing detailed in 2B SBCCC 300.3, the SBPS shall make a final  
3 recommendation regarding the entity's claim to be exempt from licensure to the SBCC.  
4 The SBCC shall consider the recommendation at its next regularly scheduled meeting  
5 and vote to grant an exemption or to not grant an exemption. The SBCC action to grant  
6 or not grant an exemption shall become the SBCC's final agency decision. Within five  
7 (5) business days of the SBCC's action, the NCCCS General Counsel shall notify the  
8 entity of the SBCC's final decision.

9

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

11 *Eff. [February 1, 2020](#).*