HOUSE BILL 293
Committee Substitute Favorable 4/14/99

Short Title: Proprietary Sch./Civil Penalties/AB. (Public)

Sponsors:

Referred to:

March 4, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE STATE BOARD OF COMMUNITY COLLEGES TO
3 ASSESS MONETARY PENALTIES AGAINST PROPRIETARY SCHOOLS THAT
4 OPERATE WITHOUT A LICENSE OR OPERATE OUTSIDE THE SCOPE OF
5 THEIR LICENSE.
6 The General Assembly of North Carolina enacts:
7 Section 1. Article 8 of Chapter 115D of the General Statutes is amended by
8 adding a new section to read:
9 "**§ 115D-93.1. Operation without a license or outside scope of license; penalty.**
10 The State Board may assess a civil penalty not to exceed five thousand dollars
11 ($5,000) against any person who owns or operates a proprietary school before receiving a
12 license from the State Board. The State Board also may assess a civil penalty not to
13 exceed five thousand dollars ($5,000) against any person who owns or operates a
14 proprietary school that offers programs of instruction, courses, or subjects that were not
15 specifically indicated in the proprietary school's application for a license. A civil penalty
16 assessed under this section may be in addition to any other penalties or sanctions the
17 State Board may impose for violation of this Article. This section shall be subject to
18 Articles 3 and 4 of Chapter 150B of the General Statutes. The clear proceeds of civil

1 penalties assessed under this section shall be remitted to the Civil Penalty and Forfeiture
2 Fund in accordance with G.S. 115C-457.2."
3   Section 2. G.S. 115D-87 is amended by adding a new subdivision to read:
4   "(3a) 'Proprietary school' means a correspondence school, a proprietary
5   business school, a proprietary trade school, or a proprietary technical
6   school as defined in this section."
7   Section 3. This act becomes effective October 1, 1999, and applies to offenses
8 occurring on or after that date.