

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 680
Education/Higher Education Committee Substitute Adopted 5/1/23
Third Edition Engrossed 5/3/23

Short Title: Revise Higher Ed Accreditation Processes. (Public)

Sponsors:

Referred to:

April 10, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO REVISE THE ACCREDITATION PROCESS FOR CONSTITUENT
3 INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA AND COMMUNITY
4 COLLEGES, TO CREATE A CAUSE OF ACTION FOR POSTSECONDARY
5 INSTITUTIONS DAMAGED BY FALSE STATEMENTS MADE TO ACCREDITING
6 AGENCIES, TO ESTABLISH A COMMISSION TO STUDY ACCREDITATION, AND
7 TO MAKE CERTAIN CONFORMING CHANGES.

8 The General Assembly of North Carolina enacts:

9
10 **PART I. REVISE UNC ACCREDITATION PROCESS**

11 **SECTION 1.(a)** G.S. 116-11 is amended by adding a new subdivision to read:

12 "(3c) The Board of Governors shall adopt a policy requiring constituent institutions
13 to be accredited in accordance with G.S. 116-11.4."

14 **SECTION 1.(b)** Article 1 of Chapter 116 of the General Statutes is amended by
15 adding a new section to read:

16 **"§ 116-11.4. Accreditation.**

17 (a) Definitions. – The following definitions apply in this section:

18 (1) Accreditation cycle. – The period of time during which a constituent
19 institution of The University of North Carolina is accredited.

20 (2) Accrediting agency. – An agency or association that accredits institutions of
21 higher education.

22 (3) Regional accrediting agency. – One of the following accrediting agencies:

23 a. Higher Learning Commission.

24 b. Middle States Commission on Higher Education.

25 c. New England Commission on Higher Education.

26 d. Northwest Commission on Colleges and Universities.

27 e. Southern Association of Colleges and Schools Commission on
28 Colleges.

29 f. Western Association of Schools and Colleges Senior College and
30 University Commission.

31 (b) Prohibit Consecutive Accreditation by an Accrediting Agency. – A constituent
32 institution of The University of North Carolina shall not receive accreditation by an accrediting
33 agency for consecutive accreditation cycles except as provided in subsection (c) of this section.

34 (c) Accreditation Transfer Procedure. – A constituent institution that pursues
35 accreditation with a different accrediting agency in accordance with this section shall pursue



1 accreditation with a regional accrediting agency. If the constituent institution is not granted
2 candidacy status by any regional accrediting agency that is different from its current accrediting
3 agency at least three years prior to the expiration of its current accreditation, the constituent
4 institution may remain with its current accrediting agency for an additional accreditation cycle.

5 (d) Certain Programs Exempt. – The requirements of this section do not apply to
6 professional, graduate, departmental, or certificate programs at constituent institutions that have
7 specific accreditation requirements or best practices, including law, pharmacy, engineering, and
8 other similar educational programs, as identified by the Board of Governors of The University
9 of North Carolina.

10 (e) Cause of Action. – A constituent institution may bring a civil action, as follows:

11 (1) Against any person who makes a false statement to the accrediting agency of
12 the constituent institution, if all of the following criteria are met:

13 a. The statement, if true, would mean the constituent institution is out of
14 compliance with its accreditation standards.

15 b. The person made the statement with knowledge that the statement was
16 false or with reckless disregard as to whether it was false.

17 c. The accrediting agency conducted a review of the constituent
18 institution as a proximate result of the statement.

19 d. The review caused the constituent institution to incur costs.

20 (2) A constituent institution that prevails on a cause of action initiated pursuant
21 to this subsection shall be entitled to the following:

22 a. Costs related to the review conducted by the accrediting agency,
23 including for the following:

24 1. Additional hours worked by university personnel.

25 2. Contracted services, including outside legal counsel.

26 3. Travel, lodging, and food expenses.

27 4. Fees required by the agency.

28 b. Reasonable attorney fees.

29 c. Court costs."

30 **SECTION 1.(c)** This section is effective when it becomes law and applies to
31 applications for accreditation submitted by constituent institutions on or after that date.

32 **PART II. REVISE COMMUNITY COLLEGE ACCREDITATION PROCESS**

33 **SECTION 2.(a)** G.S. 115D-5 is amended by adding a new subsection to read:

34 "(f1) The State Board shall adopt a policy requiring community colleges to be accredited
35 in accordance with G.S. 115D-6.2."

36 **SECTION 2.(b)** Article 1 of Chapter 115D of the General Statutes is amended by
37 adding a new section to read:

38 **"§ 115D-6.2. Accreditation.**

39 (a) Definitions. – The following definitions apply in this section:

40 (1) Accreditation cycle. – The period of time during which a community college
41 is accredited.

42 (2) Accrediting agency. – An agency or association that accredits institutions of
43 higher education.

44 (3) Regional accrediting agency. – One of the following accrediting agencies:

45 a. Higher Learning Commission.

46 b. Middle States Commission on Higher Education.

47 c. New England Commission on Higher Education.

48 d. Northwest Commission on Colleges and Universities.

49 e. Southern Association of Colleges and Schools Commission on
50 Colleges.

f. Western Association of Schools and Colleges Accrediting Commission for Community and Junior Colleges.

(b) Prohibit Consecutive Accreditation by an Accrediting Agency. – A community college shall not receive accreditation by an accrediting agency for consecutive accreditation cycles except as provided in subsection (c) of this section.

(c) Accreditation Transfer Procedure. – A community college that pursues accreditation with a different accrediting agency in accordance with this section shall pursue accreditation with a regional accrediting agency. If the community college is not granted candidacy status by any regional accrediting agency that is different from its current accrediting agency at least three years prior to the expiration of its current accreditation, the community college may remain with its current accrediting agency for an additional accreditation cycle.

(d) Certain Programs Exempt. – The requirements of this section do not apply to professional, departmental, or certificate programs at community colleges that have specific accreditation requirements or best practices, as identified by the State Board of Community Colleges.

(e) Cause of Action. – A community college may bring a civil action, as follows:

(1) Against any person who makes a false statement to the accrediting agency of the community college, if all of the following criteria are met:

a. The statement, if true, would mean the community college is out of compliance with its accreditation standards.

b. The person made the statement with knowledge that the statement was false or with reckless disregard as to whether it was false.

c. The accrediting agency conducted a review of the community college as a proximate result of the statement.

d. The review caused the community college to incur costs.

(2) A community college that prevails on a cause of action initiated pursuant to this subsection shall be entitled to the following:

a. Costs related to the review conducted by the accrediting agency, including for the following:

1. Additional hours worked by community college personnel.

2. Contracted services, including outside legal counsel.

3. Travel, lodging, and food expenses.

4. Fees required by the agency.

b. Reasonable attorney fees.

c. Court costs."

SECTION 2.(c) This section is effective when it becomes law and applies to applications for accreditation submitted by community colleges on or after that date.

PART III. ACCREDITATION STUDY

SECTION 3. The Board of Governors of The University of North Carolina shall establish a Commission to study alternatives to the current process by which institutions of higher education are accredited and shall invite stakeholders, including stakeholders from other states, to participate. The Board of Governors shall provide an interim report on the Commission's efforts to recruit stakeholders to participate to the Joint Legislative Education Oversight Committee by September 1, 2023. The Commission shall report any findings it develops to the Joint Legislative Education Oversight Committee by September 1, 2024.

PART IV. CONFORMING CHANGES

SECTION 4.(a) G.S. 90-631(b) reads as rewritten:

"(b) A massage and bodywork therapy program operated by a North Carolina community college that is accredited by ~~the Southern Association of Colleges and Schools~~ a regional

1 accrediting agency, as defined in G.S. 115D-6.2, is exempt from the approval process, licensure
2 process, or both, established by the Board. The college shall certify annually to the Board that
3 the program meets or exceeds the minimum standards for curriculum, faculty, and learning
4 resources established by the Board. Students who complete the program shall qualify for licenses
5 from the Board as if the program were approved, licensed, or both, by the Board."

6 **SECTION 4.(b)** G.S. 93A-4(a2) reads as rewritten:

7 "(a2) A certified real estate education provider shall pay a fee of ten dollars (\$10.00) per
8 licensee to the Commission for each licensee completing a postlicensing education course
9 conducted by the school, provided that these fees shall not be charged to a community college,
10 junior college, college, or university located in this State and accredited by ~~the Southern~~
11 ~~Association of Colleges and Schools~~, a regional accrediting agency, as defined in G.S. 115D-6.2
12 and G.S. 116-11.4, respectively."

13 **SECTION 4.(c)** G.S. 93A-38.5(e) reads as rewritten:

14 "(e) The Commission may establish a nonrefundable course application fee to be charged
15 to private real estate education providers for the review and approval of a proposed continuing
16 education course. The fee shall not exceed one hundred twenty-five dollars (\$125.00) per course.
17 The Commission may charge the private real estate education providers of an approved course a
18 nonrefundable fee not to exceed seventy-five dollars (\$75.00) for the annual renewal of course
19 approval.

20 A private real estate education provider shall pay a fee of ten dollars (\$10.00) per licensee to
21 the Commission for each licensee completing an approved continuing education course
22 conducted by the sponsor.

23 The Commission shall not charge a course application fee, a course renewal fee, or any other
24 fee for a continuing education course sponsored by a community college, junior college, college,
25 or university located in this State and accredited by ~~the Southern Association of Colleges and~~
26 ~~Schools~~, a regional accrediting agency, as defined in G.S. 115D-6.2 and G.S. 116-11.4,
27 respectively."

28 **SECTION 4.(d)** G.S. 93E-1-7(b2) reads as rewritten:

29 "(b2) The Board shall not charge a course application fee, a course renewal fee, or any other
30 fee for a continuing education course offered by a North Carolina college, university, junior
31 college, or community or technical college accredited by ~~the Southern Association of Colleges~~
32 ~~and Schools~~, a regional accrediting agency, as defined in G.S. 115D-6.2 and G.S. 116-11.4,
33 respectively, or an agency of the federal, State, or local government."

34 **SECTION 4.(e)** G.S. 93E-1-8 reads as rewritten:

35 **"§ 93E-1-8. Education program approval and fees.**

36 ...

37 (b) The Board may by rule set nonrefundable fees chargeable to private real estate
38 appraisal schools or course sponsors, including appraisal trade organizations, for the approval
39 and annual renewal of approval of their qualifying courses required by G.S. 93E-1-6(a), or
40 equivalent courses. The fees shall be one hundred dollars (\$100.00) per course for approval and
41 fifty dollars (\$50.00) per course for renewal of approval. No fees shall be charged for the approval
42 or renewal of approval to conduct appraiser qualifying courses where such courses are offered
43 by a North Carolina college, university, junior college, or community or technical college
44 accredited by ~~the Southern Association of Colleges and Schools~~, a regional accrediting agency,
45 as defined in G.S. 115D-6.2 and G.S. 116-11.4, respectively, or an agency of the federal, State,
46 or local government.

47 ...

48 (d) Nonrefundable fees of one hundred dollars (\$100.00) per course may be charged to
49 schools and course sponsors for the approval to conduct appraiser continuing education courses
50 and fifty dollars (\$50.00) per course for renewal of approval. However, no fees shall be charged
51 for the approval or renewal of approval to conduct appraiser continuing education courses where

such courses are offered by a North Carolina college, university, junior college, or community or technical college accredited by ~~the Southern Association of Colleges and Schools, a regional accrediting agency, as defined in G.S. 115D-6.2 and G.S. 116-11.4, respectively,~~ or by an agency of the federal, State, or local government. A nonrefundable fee of fifty dollars (\$50.00) per course may be charged to current or former licensees or certificate holders requesting approval by the Board of a course for continuing education credit when approval of such course has not been previously obtained by the offering school or course sponsor."

SECTION 4.(f) G.S. 116-201(b)(8) reads as rewritten:

"(8) "Private institution" means an institution other than a seminary, Bible school, Bible college or similar religious institution in this State that is not owned or operated by the State or any agency or political subdivision thereof, or by any combination thereof, that offers post-high school education and is accredited by a regional accrediting agency, as defined in G.S. 115D-6.2 and G.S. 116-11.4, or the Transnational Association of Christian Colleges and Schools, ~~the Southern Association of Colleges and Schools~~ or, in the case of institutions that are not eligible to be considered for accreditation, accredited in those categories and by those nationally recognized accrediting agencies that the Authority may designate;"

SECTION 4.(g) G.S. 116-280(3) reads as rewritten:

"(3) Eligible private postsecondary institution. – A school that is any of the following:

- a. A nonprofit postsecondary educational institution with a main permanent campus located in this State that is not owned or operated by the State of North Carolina or by an agency or political subdivision of the State or by any combination thereof that satisfies all of the following:
 1. Is either (i) accredited by a regional accrediting agency, as defined in G.S. 115D-6.2 and G.S. 116-11.4, or the Transnational Association of Christian Colleges and Schools ~~the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) or by the New England Association of Schools and Colleges through its Commission of Higher Education~~ or (ii) was accredited by SACSCOC on January 1, 2021, and, beginning January 1, 2021, was a member of the Transnational Association of Christian Colleges and Schools.
 2. Awards a postsecondary degree as defined in G.S. 116-15.
- b. A postsecondary institution owned or operated by a hospital authority as defined in G.S. 131E-16(14) or school of nursing affiliated with a nonprofit postsecondary educational institution as defined in sub-subdivision a. of this subsection."

SECTION 4.(h) G.S. 115D-5(a) reads as rewritten:

"(a) The State Board of Community Colleges may adopt and execute such policies, regulations and standards concerning the establishment, administration, and operation of institutions as the State Board may deem necessary to insure the quality of educational programs, to promote the systematic meeting of educational needs of the State, and to provide for the equitable distribution of State and federal funds to the several institutions.

...

The State Board of Community Colleges shall require ~~all community colleges each~~ community college to meet the faculty credential requirements of ~~the Southern Association of Colleges and Schools~~ its accrediting agency for all community college programs."

SECTION 4.(i) G.S. 130A-309.28 reads as rewritten:

"§ 130A-309.28. University research.

Research, training, and service activities related to solid and hazardous waste management conducted by The University of North Carolina shall be coordinated by the Board of Governors of The University of North Carolina through the Office of the President. Proposals for research contracts and grants; public service assignments; and responses to requests for information and technical assistance by the State and units of local government, business, and industry shall be addressed by a formal process involving an advisory board of university personnel appointed by the President and chaired and directed by an individual appointed by the President. The Board of Governors of The University of North Carolina shall consult with the Department in developing the research programs and provide the Department with a copy of the proposed research program for review and comment before the research is undertaken. Research contracts shall be awarded to independent nonprofit colleges and universities within the State which are accredited by ~~the Southern Association of Colleges and Schools~~ a regional accrediting agency, as defined in G.S. 116-11.4, on the same basis as those research contracts awarded to The University of North Carolina. Research activities shall include the following areas:

- (1) Methods and processes for recycling solid and hazardous ~~waste;~~ waste.
- (2) Methods of treatment for detoxifying hazardous ~~waste; and~~ waste.
- (3) Technologies for disposing of solid and hazardous waste."

PART V. EFFECTIVE DATE

SECTION 5. This act is effective when it becomes law.