§ 74C-12. Denial, suspension, or revocation of license, registration, or permit; duty to report criminal arrests.

(a) The Board may, after compliance with Chapter 150B of the General Statutes, deny, suspend, or revoke a license, certification, registration, or permit issued under this Chapter if it is determined that the applicant, licensee, trainee, registrant, or permit holder has done any of the following acts:

(1) Made any false statement or given any false information in connection with any application for a license, registration, certification, permit, or audit or for the renewal or reinstatement of a license, certification, registration or permit.

(2) Violated any provision of this Chapter.

(3) Violated any rule adopted by the Board pursuant to the authority contained in this Chapter.

(4) Repealed by Session Laws 1989, c. 759, s. 10.

(5) Impersonated or permitted or aided and abetted any other person to impersonate a law enforcement officer of the United States, this State, any other state, or any political subdivision of a state.

(6) Engaged in or knowingly permitted any employee to engage in a private protective services profession when not lawfully in possession of a valid license or registration issued under this Chapter.

(7) Willfully failed or refused to render to a client service as agreed between the parties and for which compensation has been paid or tendered in accordance with the agreement of the parties.

(8) Knowingly made any false report to the employer or client for which information is being obtained.

(9) Committed an unlawful larceny, burglary, breaking or entering, assault, battery, sexual offense, kidnapping, forgery, or violated any State or federal firearms law.

(10) Knowingly violated or advised, encouraged, or assisted the violation of any court order or injunction in the course of business as a licensee.

(11) Repealed by Session Laws 1989, c. 759, s. 10.

(12) Undertaken to give legal advice or counsel or to in any way falsely represent that he or she is representing any attorney or is appearing or will appear as an attorney in any legal proceeding.

(13) Issued, delivered, or uttered any simulation of process of any nature that might lead a person to believe that the simulation - written, printed, or typed - may be a summons, warrant, writ, other court process, or any pleading in any court proceeding.

(14) Failed to make the required contribution to the Private Protective Services Education Fund or failed to maintain the certificate of liability insurance required by this Chapter.

(15) Violated the firearm provisions set forth in this Chapter.

(16) Repealed by Session Laws 1989, c. 759, s. 10.

(17) With respect to a business entity licensed pursuant to this Chapter other than a sole proprietorship, failed to notify the Director of the cessation of employment of the qualifying agent within the time set forth in G.S. 74C-8(c).

(18) With respect to a business entity licensed pursuant to this Chapter, failed to obtain a substitute qualifying agent within the time set forth in G.S. 74C-8(c) after its qualifying agent ceased to serve.

(19) Been judged incompetent by a court having jurisdiction under Chapter 35A or former Chapter 35 of the General Statutes or committed to a mental health

facility for treatment of mental illness, as defined in G.S. 122C-3, by a court under G.S. 122C-271.

(20) Failed or refused to offer a report to a client within 30 days of the client's written request after the client has paid for services rendered.

(21) With respect to an applicant or a principal in the applicant's business, been previously denied a license, registration, or permit under this Chapter or previously had a license, registration, or permit revoked for cause.

(22) Engaged in a private protective services profession under a name other than the name under which the license was obtained under this Chapter.

(23) Divulged to any person, except as required by law, any information acquired by the license holder except at the direction of the employer or client for which the information was obtained. A licensee may divulge to any law enforcement officer or district attorney or district attorney's representative any information the law enforcement officer may require to investigate a criminal offense with the prior approval and consent of the client.

(24) Fraudulently held himself or herself out as employed by or licensed by the Department of Public Safety or any other governmental authority.

(25) Demonstrated intemperate habits or a lack of good moral character. Acts that are prima facie evidence that an applicant does not have temperate habits or good moral character under G.S. 74C-8(d)(2) are prima facie evidence of intemperate habits or lack of good moral character under this subdivision.

(26) Advertised or solicited business using a name other than that in which the license was issued.

(27) Worn, carried, or accepted any badge or shield purporting to indicate that the person is a law enforcement officer while licensed or registered under the provisions of this Chapter.

(28) Possessed or displayed, while providing private protective services, a badge or shield that was not designed and approved by the Board pursuant to G.S. 74C-5(12).

(29) Failed or refused to reasonably cooperate with the Board or its agents during an investigation of any complaint, allegation, suspicion of wrongdoing, or violation of this Chapter.

(30) Failed to properly make any disclosure to the Board or provide documents or information required by this Chapter or rules adopted by the Board.

(31) Engaged in conduct constituting dereliction of duty or otherwise deceived, defrauded, or harmed the public in the course of professional activities or services.

(32) Demonstrated a lack of financial responsibility.

(b) The denial, revocation, or suspension of a license, registration, or permit by the Board shall be in writing, be signed by the Director of the Board, and state the grounds upon which the Board decision is based. The aggrieved person has the right to appeal from this decision as provided in Chapter 150B of the General Statutes. The aggrieved person shall file the appeal within 60 days of receipt of the Board's decision.

(c) The following persons shall not be issued a license under this Chapter:

(1) A sworn court official.

(2) A holder of a company police commission under Chapter 74E of the General Statutes.

(d) A licensee shall report to the Board in writing within 30 days any charge, arrest for, or conviction of a misdemeanor or felony for any of the following:

(1) Crimes that have as an essential element dishonesty, deceit, fraud, or misrepresentation.
(2) Illegal use, possession, sale, manufacture, distribution, or transportation of a controlled substance, drug, narcotic, or alcoholic beverage.
(3) Illegal use, carrying, or possession of a firearm.
(4) Acts involving assault.
(5) Acts involving unlawful breaking or entering, burglary, or larceny.
(6) Repealed by Session Laws 2022-66, s. 1, effective October 1, 2022.

For purposes of this section, the term "conviction" includes the entry of a plea of guilty, a plea of nolo contendere, prayer for judgment continued, adjudication withheld, or a finding of guilt by a court of competent jurisdiction. The licensee's failure to report a charge, arrest for, or conviction of a misdemeanor or felony is grounds for revocation of the license. (1979, c. 818, s. 2; 1981, c. 807, s. 6; 1987, c. 550, s. 20; c. 657, s. 6; 1989, c. 759, s. 10; 1991 (Reg. Sess., 1992), c. 1043, s. 5; 2001-487, s. 64(g); 2007-511, s. 7; 2009-328, ss. 8, 9; 2022-66, s. 1; 2023-46, s. 9; 2025-51, s. 2(e).)