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

The General Assembly of North Carolina enacts:

PART I. REVISE UNC ACCREDITATION PROCESS

SECTION 1.(a) G.S. 116-11 is amended by adding a new subdivision to read:
"(3c) The Board of Governors shall adopt a policy requiring constituent institutions to be accredited in accordance with G.S. 116-11.4."

SECTION 1.(b) Article 1 of Chapter 116 of the General Statutes is amended by adding a new section to read:
"§ 116-11.4. Accreditation.
(a) Definitions. – The following definitions apply in this section:
(1) Accreditation cycle. – The period of time during which a constituent institution of The University of North Carolina is accredited.
(2) Accrediting agency. – An agency or association that accredits institutions of higher education.
(3) Regional accrediting agency. – One of the following accrediting agencies:
   b. Middle States Commission on Higher Education.
   c. New England Commission on Higher Education.
   d. Northwest Commission on Colleges and Universities.
   e. Southern Association of Colleges and Schools Commission on Colleges.
   f. Western Association of Schools and Colleges Senior College and University Commission.
(b) Prohibit Consecutive Accreditation by an Accrediting Agency. – A constituent institution of The University of North Carolina 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 constituent institution that pursues accreditation with a different accrediting agency in accordance with this section shall pursue...
accreditation with a regional accrediting agency. If the constituent institution 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 constituent institution 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, graduate, departmental, or certificate programs at constituent institutions that have specific accreditation requirements or best practices, including law, pharmacy, engineering, and other similar educational programs, as identified by the Board of Governors of the University of North Carolina.

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

(1) Against any person who makes a false statement to the accrediting agency of the constituent institution, if all of the following criteria are met:
   a. The statement, if true, would mean the constituent institution 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 constituent institution as a proximate result of the statement.
   d. The review caused the constituent institution to incur costs.

(2) A constituent institution 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 university 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 1.(c) This section is effective when it becomes law and applies to applications for accreditation submitted by constituent institutions on or after that date.

PART II. REVISE COMMUNITY COLLEGE ACCREDITATION PROCESS

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

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

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

"§ 115D-6.2. Accreditation.

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

(1) Accreditation cycle. – The period of time during which a community college is accredited.
(2) Accrediting agency. – An agency or association that accredits institutions of higher education.
(3) Regional accrediting agency. – One of the following accrediting agencies:
   b. Middle States Commission on Higher Education.
   c. New England Commission on Higher Education.
   d. Northwest Commission on Colleges and Universities.
   e. Southern Association of Colleges and Schools Commission on Colleges."
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 General Assembly of North Carolina.

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 accrediting agency in accordance with this section shall pursue accreditation with a different 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.

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

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

"(a2) A certified real estate education provider shall pay a fee of ten dollars ($10.00) per
licensee to the Commission for each licensee completing a postlicensing education course
conducted by the school, provided that these fees shall not be charged to a community college,
junior college, college, or university located in this State and 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."

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

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

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

The Commission shall not charge a course application fee, a course renewal fee, or any other
fee for a continuing education course sponsored by a community college, junior college, college,
or university located in this State and 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."
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.

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;
(2) Methods of treatment for detoxifying hazardous waste;
(3) Technologies for disposing of solid and hazardous waste."

PART V. EFFECTIVE DATE

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