

SUBCHAPTER 03J - RULES AND REGULATIONS GOVERNING THE LICENSING OF COMMERCIAL TRUCK DRIVER TRAINING SCHOOLS AND INSTRUCTORS

SECTION .0100 - COMMERCIAL DRIVER TRAINING SCHOOLS

19A NCAC 03J .0101 PURPOSE OF REGULATIONS

Article 14, Chapter 20 of the General Statutes of North Carolina provides for the licensing and regulation of commercial driver training schools and instructors. Pursuant to the authority contained in this law, the Commissioner of Motor Vehicles has hereby adopted the rules in this Subchapter concerning the administration and enforcement of that Article. These Rules establish minimum standards for the operation of commercial driver training schools and will be used by the Division of Motor Vehicles in administering Article 14.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-326; 20-327; 20-328; Eff. May 1, 1987; Amended Eff. August 1, 2002; January 1, 1994; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0102 DEFINITIONS

For the purpose of this Subchapter, the following definitions shall apply:

- (1) "Actively Enrolled" means any student who is neither a graduate nor has failed to complete his or her course.
- (2) "Base Period" means a six-month period from January 1 through June 30 or from July 1 through December 31.
- (3) "Constructive Notice" means a student's notice of intention to withdraw from a course by failing to attend residence instructional facilities for a period of three consecutive days on which that class meets.
- (4) "Cooling off Period" means five days from the time the student is given or mailed a signed copy of his completed contract.
- (5) "Enrollment contract" means any agreement or instrument, however named, which creates or evidences an obligation binding a student to purchase a course from a school.
- (6) "Fail to Complete" means any student who does not fully complete the required 160 hours of the lessons or classes required by the Division as constituting the full course of study and who cancels by any of the methods prescribed.
- (7) "Field Training" means off-road training in and around the truck. Refer to Rule .0306(2)(b), (c), (e), and (i) of Section .0300.
- (8) "Foreign Commercial Driver Training School" means an enterprise located outside North Carolina which solicits, advertises, or offers commercial motor vehicle driver training to residents of North Carolina.
- (9) "General Job or Earnings Claim" means any express claim or representation concerning the general conditions or employment demand in any employment market now or at any time in the future or the amount of salary or earnings generally available to persons employed in any occupation.
- (10) "Graduate" means any student who fully completes the required 160 hours of the lessons or classes required by the Division and discharges any other requirements or obligations established by the school as prerequisites for completing the full course of study.
- (11) "Job or Earnings Claim" means any general or specific job or earnings claim.
- (12) "Media Advertisement" means any advertisement disseminated to the public by means of print or broadcast media, including newspapers, magazines, radio, television, posters, or any other means. It does not include promotional materials that are available from a school or distributed by its sales representatives.
- (13) "Most Recent Base Period" means the latest base period.
- (14) "New Course" means any course which has a substantially different course content and occupational objective from any course previously offered by the school and which has been offered for a period of time less than six months.
- (15) "Prospective Student" means any person who seeks to enroll in a course.

- (16) "Recruiter/Salesman" means any person who is employed by a commercial truck driver training school, directly or indirectly, to recruit students for a school. This definition includes persons who are employed by another person who is a direct employee or broker for a school.
- (17) "Refresher Course" means a minimum 80-hour course which offers classroom and behind the wheel instruction for drivers who have previously held a CDL, Class A, or Chauffeurs License.
- (18) "Seminar" means a course of 40 hours or less offering educational materials and classroom instruction only in order to prepare a student for an examination given by the State for a driver's license.
- (19) "Specific Job or Earnings Claim" means any express claim or representation concerning the employment opportunities available to students or the demand for students who purchase the school's course, or the amount of salary or earnings available to students who purchase the school's course.
- (20) "Student" means any person who has signed an enrollment contract with a school and not canceled that contract before the cooling-off-period, specified in this Rule, has ended.
- (21) "Total Contract Price" means the total price for the enrollment contract, including charges for registration, ancillary services, and any finance charges.

History Note: Authority G.S. 20-320; 20-321; Eff. May 1, 1987; Amended Eff. August 1, 2002; August 1, 1998; January 1, 1994; February 1, 1991; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

SECTION .0200 - REQUIREMENTS AND APPLICATIONS FOR COMMERCIAL TRUCK DRIVER TRAINING SCHOOLS

19A NCAC 03J .0201 REQUIREMENTS

- (a) The Division shall not issue a commercial truck driver training school license to any individual, partnership, group, association, or corporation unless:
 - (1) The individual, partnership, group, association, or corporation has at least one motor vehicle registered or leased in the name of the school, which vehicle has been inspected by a representative of the Division and vehicle insurance certified as required by this Subchapter for use by the school for driver training purposes and driver instruction.
 - (2) The individual, partnership, group, association, or corporation has at least one person licensed by the Division as a commercial truck driver training instructor for that school.
 - (3) Each manager or owner-operator of a commercial truck driver training school or branch shall:
 - (A) be subject to an evaluation of any existing criminal record in accordance with G.S. 93B-8.1(b1);
 - (B) be at least 18 years of age; and
 - (C) not have had a revocation or suspension of his or her classified license in the two years preceding the date of application.
 - (4) In the case of a foreign commercial truck driver training school, recruiting in North Carolina, the school submits the following items to the Division:
 - (A) a copy of the school's license;
 - (B) a course description, including topics taught and the length of the course;
 - (C) a list of equipment available for training;
 - (D) a copy of the contract complete with the fee charged; and
 - (E) the names of the persons who represent the school in North Carolina; provided, Subparagraphs (a)(1) and (a)(4)(C) of this Rule shall not apply to schools offering seminar training only.
- (b) All commercial truck driver training schools licensed and recruiting in North Carolina shall submit to the Division a surety bond in the amount of thirty thousand dollars (\$30,000) for schools offering courses of instruction of 160 hours or more and ten thousand dollars (\$10,000) for schools offering seminar training only.

History Note: Authority G.S. 20-37.13(b); 20-321; 20-322; 20-323; 93B-8.1(b1); Eff. May 1, 1987;

*Amended Eff. August 1, 2002; January 1, 1994; February 1, 1991;
Readopted Eff. June 1, 2021.*

19A NCAC 03J .0202 ORIGINAL APPLICATION

Each original application for a commercial driver training school license shall consist of the following:

- (1) Application for license;
- (2) Personal history statement of owner-operator or manager to include full name, place of birth, date of birth, marital status, permanent address, social security number, employment history, and financial statement;
- (3) Proposed plan of operation;
- (4) Proof of liability insurance;
- (5) Sample copies of contracts;
- (6) A check or money order in the amount of eighty dollars (\$80.00). This fee is due for both original and renewal applications for license;
- (7) Certificate of assumed name; and
- (8) Surety bond.

Items (1), (2) and (3) of this Rule shall be provided upon forms issued by the Division.

*History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323;
Eff. May 1, 1987;
Amended Eff. August 1, 2002; January 1, 1994;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.*

19A NCAC 03J .0203 RENEWAL APPLICATIONS

Renewal applications shall be made within 60 days prior to the expiration of license. All licenses expire two years after the date the license is issued and no school is permitted to operate with an expired license. However, applications for renewal may be accepted for up to 30 days from the date of expiration. Any license expired for more than 30 days shall be deemed permanently lapsed and renewal of such license must be by the same process as required for an entirely new school, with all forms and certifications being required.

*History Note: Authority G.S. 20-320; 20-321; 20-324; 20-325; 20-327;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.*

19A NCAC 03J .0204 DUPLICATE COPIES

All applications, either original or renewal, for a commercial driver training school or branch shall be completed in duplicate. The original copy of each form shall be submitted to the Enforcement Commercial Driver License (CDL) Compliance Section of the Division of Motor Vehicles, 1417 North Church Street, Rocky Mount, North Carolina 27804-3117. A copy of each form shall be filed at the place of business.

*History Note: Authority G.S. 20-321; 20-324;
Eff. May 1, 1987;
Amended Eff. August 1, 2002; February 1, 1991;
Readopted Eff. June 1, 2021.*

19A NCAC 03J .0205 CHANGES IN APPLICATION INFORMATION

The Division must be notified in writing within 10 days of any changes in the officers, directors, manager, or instructors of any school or branch. The Division must also be informed within 10 days of the addition or deletion of any motor vehicles and a supplemental schedule of motor vehicles must be filed. (Supplemental motor vehicle schedules shall be accompanied by a properly executed insurance certificate.) If the school has a change in ownership, the new owner must file an original application with the Division as described in Rule .0202 of this Section and be approved by the Division before beginning operation of the school under the new ownership. Failure to inform the Division of the required changes shall be grounds for suspension or revocation of the license.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0206 BRANCH OFFICES

Any school desiring to open a branch shall make application for such branch on forms furnished by the Division in the same manner and to the same extent as for an original license. A commercial driver training school may operate a branch office anywhere in the state provided:

- (1) The branch meets all the requirements of the principal place of business.
- (2) The branch is identified as a "branch office" by a permanent sign which indicates the location of the principal place of business and which is visible to the general public.

History Note: Authority G.S. 20-321; 20-324; 20-325;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0207 SURRENDER OF LICENSES

Any licensed commercial driver training school or branch which ceases to carry on the business of giving instruction in the driving of commercial motor vehicles or which has a change of ownership shall, within five days, surrender its commercial driver training school license and all instructor licenses issued to driver training instructors employed by the school.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-327;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0208 LICENSE REQUIRED

History Note: Authority G.S. 20-322;
Eff. May 1, 1987;
Repealed Eff. January 1, 1994.

SECTION .0300 - SCHOOL LOCATION: PHYSICAL FACILITIES: AND COURSES OF INSTRUCTION

19A NCAC 03J .0301 GENERAL PROVISIONS

Every school shall maintain a principal place of business open to the public in a permanent-type building. Schools or branches may not be located within or adjacent to a building in which applications for driver licenses are received by the Division and no business may be solicited on property occupied by or adjacent to a building in which applications for driver's licenses are received by the Division.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0302 OFFICE

The office shall be the principal place of business, in the same location as but physically separated from the classroom facility, and must be sufficient for conducting all business related to the operation of the school including, but not limited to:

- (1) Facilities for conducting personal interviews.

- (2) Storage of all records required for the operation of the school.
- (3) Secretarial or telephone answering service available for a minimum of six hours between 9:00 a.m. and 5:00 p.m. on normal business days.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0303 CLASSROOM FACILITY

The classroom facility shall meet the following minimum requirements:

- (1) An overall size of 120 square feet, including at least 70 square feet for the instructor and his or her equipment and 12 square feet for each student.
- (2) Lighting, heating, and ventilation systems that are in compliance with all State and local laws and ordinances including zoning, public health, safety, and sanitation.
- (3) Seats and writing surfaces for all students; blackboards or whiteboards visible from all seats; charts, diagrams, mock-ups, and pictures relating to the operation of motor vehicles, traffic laws, physical forces, and correct driving procedures; a copy of the Driver's Handbook published by the Division for each student; and other textbooks deemed necessary by the instructor.
- (4) Restroom facilities shall be provided.
- (5) Covered shelter shall be provided for students when on the field range to protect them from the weather when not driving.
- (6) Seminar only courses shall provide seats and writing surfaces for all students and printed instructional materials deemed necessary by the instructor. Seminars shall be conducted at any location meeting the requirements in this Rule provided prior notice is given to and approval is given by the Commercial Driver License (CDL) Compliance Section.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-328;
Eff. May 1, 1987;
Amended Eff. January 1, 1994; February 1, 1991;
Readopted Eff. June 1, 2021.

19A NCAC 03J .0304 DISPLAY OF LICENSES

Every school and branch must display in a prominent place in its office licenses issued to it by the Division for the school and its instructors.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0305 INSPECTIONS

The Division shall make periodic inspections, at least annually, of schools and branches to determine compliance with statutes and rules. The inspection shall be made during business hours by authorized representatives of the Division. Inspections shall include examination of all school records, contracts, classroom facilities, training devices, instructional materials and instructional methods, vehicles, and any other item required by law or regulation. Each owner, partner, associate, corporate officer, or employee of any commercial driver training school shall cooperate with the Division's representative and, upon request, shall exhibit all records, instructional aids, equipment, and any other items which are required for the inspection. Refusal to permit inspections shall be grounds for revocation of the license. Records shall be retained by the school for a period of three years.

History Note: Authority G.S. 20-321; 20-322; 20-323; 20-325; 20-327;
Eff. May 1, 1987;
Amended Eff. August 1, 2002; January 1, 1994;
Readopted Eff. June 1, 2021.

19A NCAC 03J .0306 COURSE OF INSTRUCTION

(a) The commercial truck driving course to be taken by licensed persons who are 18 years old or older shall meet the following requirements:

- (1) Minimum hours of instruction:
 - (A) classroom instruction, including testing 50 hours
 - (B) field instruction 50 hours
 - (C) highway behind-the-wheel training 20 hours
 - (D) observation (highway behind-the-wheel) 40 hoursTotal - 160 hours

The hours of instruction may be expressed in credit hours provided the school is accredited by an accrediting agency recognized by the United States Department of Education and the conversion ratio of that accrediting agency is used.

- (2) Content of classroom and behind-the-wheel instruction:
 - (A) laws relating to interstate and intrastate operations;
 - (B) pre-trip inspection;
 - (C) coupling and uncoupling of combination units, if the equipment to be driven includes such units;
 - (D) placing the vehicle in operation;
 - (E) use of the vehicle's controls and emergency equipment;
 - (F) operation in inner-city and interstate highway traffic and passing;
 - (G) turning the vehicle;
 - (H) braking and slowing the vehicle by means other than applying the brakes;
 - (I) backing and parking the vehicle;
 - (J) experience operating property hauling vehicles with a minimum gross vehicle weight of 49,000 pounds or experience operating passenger motor coach vehicles having a minimum capacity of 46 persons; and
 - (K) completing driver's daily log books.
- (3) Other requirements include:
 - (A) the 160 hours of instructions required by this Rule shall be completed in no less than four calendar weeks;
 - (B) three hours of the 20 hours of behind-the-wheel highway training shall be completed by each student between dusk and dawn;
 - (C) one vehicle shall be provided for each three students during highway training. Four students per vehicle are permitted if the vehicle has been inspected and approved by the Division. The Division shall approve the vehicle if it determines the vehicle will seat four people. No more than four students per vehicle and no more than four vehicles per instructor shall be allowed for field training; and
 - (D) a Driver's Daily Log shall be kept for each student to reflect the 160 hours of instruction.

(b) Credit for prior instruction or training given by another agency or school may be granted. Such credit may be granted by the school to which the candidate is applying if the prior instruction or training is equivalent to the corresponding part or parts of the course required by this Rule for commercial truck driving course and if such credit is confirmed and authorized as equivalent by the Enforcement Section of the Division.

(c) In addition to the course requirements of Paragraph (a) of this Rule, schools may offer a "Refresher Course" which shall meet the following requirements:

- (1) Minimum hours of instruction shall total 80 hours as follows:
 - (A) Classroom instruction, labs, and testing 25 hours
 - (B) Field instruction 25 hours
 - (C) Highway behind the wheel training 10 hours
 - (D) Observation (highway behind-the-wheel) 20 hoursTotal - 80 hours

The hours of instruction may be expressed in credit hours provided the school is accredited by an accrediting agency recognized by the United States Department of Education and the conversion ratio of that accrediting agency is used.

- (2) Content of Classroom and behind the wheel instruction shall be as follows:
 - (A) laws relating to interstate and intrastate operations;
 - (B) pre-trip inspection;

- (C) coupling and uncoupling of combination units, if the equipment to be driven includes such units;
 - (D) placing the vehicle in operation;
 - (E) use of the vehicle's controls and emergency equipment;
 - (F) operation in inner-city and interstate highway traffic and passing;
 - (G) turning the vehicle;
 - (H) braking and slowing the vehicle by means other than applying the brakes;
 - (I) backing and parking the vehicle;
 - (J) experience operating property hauling vehicles with a minimum gross weight of 49,000 pounds or experience operating passenger motor coach vehicles having a minimum capacity of 46 passengers; and
 - (K) completing driver's daily log books.
- (3) Other requirements are as follows:
- (A) the 80 hours of instruction required by this Rule shall be completed in no less than two calendar weeks;
 - (B) two hours of the 10 hours behind the wheel highway training shall be completed by each student between dusk and dawn;
 - (C) one vehicle shall be provided for each three students during highway training. Four students per vehicle are permitted if the vehicle has been inspected and approved for such use by the Division. The Division shall approve the vehicle if it determines the vehicle will seat four people. No more than four students shall be allowed per vehicle for field training; and;
 - (D) a drivers log shall be kept for each student to reflect the 80 hours of instruction.

History Note: Authority G.S. 20-321; 20-322; 20-323;
 Eff. May 1, 1987;
 Amended Eff. August 1, 2002; August 1, 1998; April 1, 1997; January 1, 1994; May 1, 1990;
 Readopted Eff. June 1, 2021.

19A NCAC 03J .0307 STUDENT REQUIREMENTS

The owners or officers of the school shall inform students 18 years of age or older but less than 21 years of age of the age restrictions as set forth in 49 CFR Part 391.11 and limitations established by the United States Department of Transportation Federal Motor Carrier Safety Administration and G.S. 20-37.13.

History Note: Authority G.S. 20-37; 20-321; 20-323; 20-328;
 Eff. May 1, 1987;
 Amended Eff. April 1, 1997; January 1, 1994; May 1, 1990;
 Readopted Eff. June 1, 2021.

19A NCAC 03J .0308 REPORTS TO BE SUBMITTED

(a) Every commercial driver training school offering a full program shall submit to the Division the following reports:

- (1) A schedule of classes for each licensing period.
- (2) A class roster as of the first day of class, which roster shall include the name, address, telephone number, and driver's license number of each student.
- (3) A copy of each student's contract(s).
- (4) A list of salesmen/recruiters working for the school (directly or indirectly) at the beginning of the licensing period, with additions or deletions to be filed within 30 days of such change.

(b) Every commercial driver training school offering seminars only shall submit and obtain approval of a course plan as required in Rules .0201 and .0306 of this Subchapter at least 30 days prior to the class. It shall also submit items in Subparagraphs (a)(1) and (a)(4) of this Rule.

(c) Every commercial driver training school offering a "refresher course" shall submit in addition to the requirements of Paragraph (a) of this Rule, a seven-year driving record attached to each student's contract.

History Note: Authority G.S. 20-321; 20-322; 20-323; 20-324; 20-325;
 Eff. May 1, 1987;

Amended Eff. August 1, 2002; August 1, 1998; April 1, 1997; January 1, 1994; February 1, 1991; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

SECTION .0400 - MOTOR VEHICLES USED IN INSTRUCTION

19A NCAC 03J .0401 VEHICLE EQUIPMENT

(a) Behind-the-wheel instruction of students in commercial driver training schools shall be conducted in motor vehicles owned or leased by the school. All vehicles used for the purpose of demonstration and practice shall:

- (1) If used for field instruction be equipped with:
 - (A) seatbelts as required by Federal and State law;
 - (B) an outside rearview mirror mounted on the right side of the vehicle;
 - (C) a heater, defroster, turn signals and brake lights; and
 - (D) all other equipment required by G.S. 20 except that a working speedometer is not required.
- (2) Bear conspicuously displayed signs with the words "Student Driver" in letters not less than six inches in height on both the front and rear of the vehicle and also bear conspicuously displayed signs with the name and location of the school in letters not less than three inches in height on both sides of the power unit and on the back of the trailer.
- (3) Meet the safety requirements for commercial motor vehicles as found in CFR 49 Parts 390-397.

(b) No school equipment shall be used to transport property or persons for compensation, other than a properly enrolled student, except when school equipment is used by certified third party examiners in accordance with the requirements of 19A NCAC 03B .0700 of these Rules, while conducting third party testing, and the school may charge a reasonable fee for the use of the school's equipment.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-326; 20-327; 20-328; Eff. May 1, 1987; Amended Eff. August 1, 2002; August 1, 1994; January 1, 1994; May 1, 1990; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0402 REGISTRATION: INSURANCE: INSPECTION

(a) Each vehicle used by the school on the highway shall be titled and registered as required by G.S. 20-52 and bear a current inspection certificate. Each yard vehicle used by the school shall be titled as required by G.S. 20-52.

(b) Each vehicle used by the school shall be insured by a company licensed to do business in North Carolina against liability in the amount of at least twenty five thousand dollars (\$25,000) because of injury to or destruction of property of others in any one accident, fifty thousand dollars (\$50,000) because of bodily injury to or death of one person in any one accident, and one hundred thousand dollars (\$100,000) because of bodily injury to or death of two or more persons in any one accident. This insurance coverage shall be secured on an annual basis. In the event coverage for any vehicle used for driver instruction or training shall not be renewed, the school shall give written notice to the Division at least 10 days prior to the expiration date of the coverage. A certificate of insurance coverage shall be filed by the insurance underwriter with the Division. Cancellation shall be accomplished upon 15 days prior written notice to the Division by the insurance underwriter.

(c) Each vehicle used by a school shall be listed and inspected in the manner prescribed in 49 CFR 396. In addition, each vehicle shall be inspected to meet the requirements of Rule .0401 of this Section and approved by a representative of the Division before it is used. Each vehicle shall be inspected and approved by a representative of the Division annually and at any other time.

History Note: Authority G.S. 20-37.22; 20-51(15)(a); 20-321; Eff. May 1, 1987; Amended Eff. August 1, 2002; Readopted Eff. June 1, 2021.

19A NCAC 03J .0403 SPECIAL REQUIREMENT

At least one of the vehicles used in a commercial truck driver training school shall be a tractor-trailer combination unit and other vehicles may be of the type necessary to carry out the instructional program of the school. All

vehicles used in the instructional program shall meet the equipment requirements of Chapter 20 of the North Carolina General Statutes.

*History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.*

SECTION .0500 - REQUIREMENTS AND APPLICATIONS FOR DRIVER TRAINING INSTRUCTOR

19A NCAC 03J .0501 REQUIREMENTS

(a) A Class I instructor may conduct driver training in the classroom, on the field and on the road. Each Class I instructor shall:

- (1) Be at least 21 years of age, have at least two years experience operating a Class A vehicle and hold a valid Class A license; provided, on and after April 1, 1992 each instructor must hold a valid Class A commercial license from his state of residence.
- (2) Not have been convicted of a felony, or convicted of a misdemeanor involving moral turpitude, in the ten years immediately preceding the date of application.
- (3) Not have had a revocation or suspension of his driver's license in the two years immediately preceding the date of application.
- (4) Have graduated from high school and submit high school diploma or submit a high school equivalency certificate.
- (5) Not have had convictions for moving violations totaling seven or more cumulative points within three years of the date of application.
- (6) Have at least two years of continuous commercial motor vehicle driving experience within the previous five years from the date of application.

(b) A Class II instructor may conduct driver training in the classroom and on the field only. Each Class II instructor shall:

- (1) Not have been convicted of a felony, or convicted of a misdemeanor involving moral turpitude, in the ten years immediately preceding the date of application.
- (2) Not have had a revocation or suspension of his driver's license in the two years immediately preceding the date of application.
- (3) Have graduated from high school and submit a high school diploma or a high school equivalency certificate.
- (4) Have at least two years of continuous commercial motor vehicle driving experience within the previous five years from the date of application.

(c) A Class I or II instructor-trainee may assist a licensed Class I or II instructor while his instructor's license application is pending at the Division. The Division must be notified in writing within five days of the date the trainee is hired. An instructor-trainee of either class:

- (1) may work in that capacity for only 30 days from the date he is hired;
- (2) may instruct in the classroom and on the field only with a licensed instructor present at all times;
- (3) may not instruct or accompany students on the road until licensed; and
- (4) must wear an identification badge which clearly identifies the individual as an instructor-trainee.

*History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-326; 20-327; 20-328;
Eff. May 1, 1987;
Amended Eff. August 1, 2002; August 1, 1994; May 1, 1990;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.*

19A NCAC 03J .0502 ORIGINAL APPLICATION

Each original application for a commercial driver training instructor license shall consist of:

- (1) A combination application and personal history form which must be completed and signed by the applicant.
- (2) A physical examination report completed and signed by a licensed physician.
- (3) Copy of high school diploma or equivalency certificate.

- (4) A driver license record check for the previous three years.
- (5) Consent form for background information.
- (6) A check or money order in the amount of sixteen dollars (\$16.00).
- (7) Five-year criminal history check.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0503 RENEWAL APPLICATION

Renewal application shall be made by an instructor within 60 days prior to the expiration of license. All licenses expire two years after the date the license is issued and no instructor may operate with an expired license. However, applications for renewal may be accepted for up to 30 days from the date of expiration. Any license expired for more than 30 days shall be deemed permanently lapsed and renewal of such license must be by the same process as required for an entirely new license, with all forms and certifications being required.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0504 DUPLICATE COPIES

All applications, either original or renewal, for a commercial driver training instructor license shall be completed in duplicate. The original copy of each form shall be submitted to the Enforcement Section of the Division of Motor Vehicles. A copy of each form shall be filed at the place of business.

History Note: Authority G.S. 20-320; 20-321; 20-324;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0505 CONFIDENTIALITY

19A NCAC 03J .0506 LICENSE FEES

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Repealed Eff. January 1, 1994.

19A NCAC 03J .0507 SURRENDER OF LICENSES

Any licensed commercial driver training instructor who ceases to give instruction in the driving of motor vehicles for the school for which he is licensed shall surrender his instructor's license within five days. The owner, partner, or chief corporate officer of the school shall be responsible for the return of the instructor's license to the Division on termination of employment of any instructor.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-327;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0508 LICENSE REQUIRED

No person shall act as an instructor without the proper license as set forth in this Subchapter; provided, up to 24 hours of classroom instruction in a minimum 320 hour course and up to 12 hours of classroom instruction in a minimum 160 hour course may be provided by an unlicensed instructor if the subject matter and lesson plan have been given prior approval by the Division.

History Note: Authority G.S. 20-323;
Eff. May 1, 1987;
Amended Eff. January 1, 1994; May 1, 1990;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

SECTION .0600 – CONTRACTS

19A NCAC 03J .0601 REQUIREMENTS

Students taking a refresher course or a course of 160 hours or more shall contract with a commercial truck driver training school. The contract shall contain the following information:

- (1) The agreed total contract charges and full terms of payment thereof.
- (2) The number, nature, time, and extent of lessons contracted for, including:
 - (a) minimum hours of instruction as required in Rule .0306 of this Subchapter; and
 - (b) rate for use of school vehicle for a driver's license road test, if an extra charge is made.
- (3) A statement which reads as follows: This agreement constitutes the entire contract between the school and the student, and any verbal assurances or promises not contained herein shall bind neither the school nor the student.
- (4) A statement which reads as follows: This school is licensed by the State of North Carolina, Division of Motor Vehicles.
- (5) A statement which reads as follows: If you, as a student, are unable to settle a dispute with the school, please direct your grievances to the North Carolina Division of Motor Vehicles, Commercial Driver License (CDL) Compliance Section, 1417 North Church Street, Rocky Mount, North Carolina 27804-0001.

History Note: Authority G.S. 20-321; 20-322; 20-323;
Eff. May 1, 1987;
Amended Eff. August 1, 2002; August 1, 1998; January 1, 1994; February 1, 1991; May 1, 1990;
Readopted Eff. June 1, 2021.

19A NCAC 03J .0602 PROHIBITED CONTRACT PROVISIONS

Commercial driver training school contracts shall not contain the following:

- (1) The statement "no refund" or its equivalent.
- (2) Any statement to the effect that a driver's license is guaranteed or otherwise promised as a result of the driver's license training course.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-325; 20-327;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0603 FILING OF CONTRACT WITH THE DIVISION

The commercial driver training school shall file with the Division sample copies of all written contracts and agreements at the time of the original application and also at any time thereafter when alterations to contracts are proposed.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-327;
Eff. May 1, 1987;
Amended Eff. August 1, 2002;

Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0604 CONTRACT PROVISIONS

(a) The school must give the prospective student a completed copy of the enrollment contract at the time the prospective student signs the contract or upon the school's receipt of an enrollment contract completed entirely by mail. The enrollment contract must be written in the same language as the oral sales presentation, if any, made by the school and must contain the name and address of the school.

(b) The school must place on the enrollment contract the explanation of the prospective student's cooling-off rights required by Rule .0605 of this Section. If the school does not place the notice on the front page of the enrollment contract, the school must place on the front page the following notice: "An explanation of your cancellation and refund rights is on page (page number) of this contract." This notice must be printed in boldface type.

(c) After the school has accepted the enrollment contract of the prospective student, the school must furnish the prospective student with the disclosure of the school's graduation rate and placement rate.

(d) If a school makes a job or earnings claim for a course other than a new course, the school shall disclose the following placement information on the disclosure form entitled, "How Our Students Are Doing." The School shall disclose these figures for individuals who became students during the school's most recent base period:

- (1) the number of students;
- (2) the number and percentage of those students who graduated;
- (3) the number and percentage of those students who remained actively enrolled at the end of that time;
- (4) the number and percentage of graduates who, within four months of leaving the course, obtained employment as commercial motor vehicle drivers; and
- (5) the number and percentage of these graduates who refused to provide salary information.

A school may, at its option, include the following statement on the disclosure form: "In evaluating our record, remember not all of our students took this course to get a job as a commercial motor vehicle driver. Also, we were unable to reach some of our graduates to see if they got jobs. So, our placement percentage might be understated."

(e) The disclosure specified by Paragraph (d) of this Rule must be based on the school's actual knowledge of its students' experiences. Actual knowledge shall be verified, at a minimum, by a list that includes the following information for each student who is counted as obtaining employment in a job for which the course prepared him or her:

- (1) the student's name and address (or telephone number);
- (2) the employer's name;
- (3) the name or title of the job obtained;
- (4) information that indicates that the job was obtained within four months of leaving the course; and
- (5) the student's annual gross salary expressed in increments of two thousand dollars (\$2,000) or an indication of the student's refusal to provide such salary information.

(f) No school shall make any specific job or earnings claim for a new course.

(g) The information required or permitted to be disclosed under Paragraph (d) of this Rule shall be contained in a disclosure form entitled, "How Our Students are doing." The disclosure form shall contain no other information or representations. This form must be mailed to all prospective students who have signed enrollment contracts if a school makes a general job or earnings claim or a specific job or earnings claim.

(h) If a school makes a general job or earnings claim or a specific job or earnings claim that is not substantiated by the disclosure form required by Paragraph (d) of this Rule, the school must not know or have reason to know of facts which would make the claim inapplicable to the school, its enrollees, or a particular geographical area served by the school. A reasonable basis shall consist of a statistically valid and reliable survey which substantiates the claim.

(i) Nothing in Paragraph (d) in this Rule shall be construed as prohibiting schools from making jobs or earnings claims which are substantiated by projections from the "Occupational Outlook Handbook" published by the Bureau of Labor Statistics or by similar projections published by other Federal or State agencies. However, when such claims are contained in non-media advertising, the schools must clearly and conspicuously disclose in immediate conjunction with the claim, any limitations, restrictions, or caveats accompanying or made applicable to those projections in their original source.

(j) A school shall maintain records adequate to disclose the facts upon which each claim covered by this Rule is based. Such records shall be maintained for three years from the date the claim is made and, after compliance with any applicable Federal law concerning the privacy or confidentiality of student records, shall be made available for inspection and copying by DMV officials upon reasonable notice and during regular business hours.

(k) Home study courses shall be accredited by an accrediting agency approved by the United States Department of Education.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-326; 20-327; 20-328; Eff. May 1, 1987; Amended Eff. August 1, 2002; January 1, 1994; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0605 CANCELLATION AND REFUND PROCEDURES AND COOLING-OFF RIGHTS

(a) After the cooling-off period has ended, a student may cancel his or her enrollment in the course by notifying the school. Cancellation by the student is effective on the date the student mails or delivers written notification to the school or on the date that the student gives the school constructive notice of his or her intention to withdraw from the course.

(b) If a prospective student cancels the enrollment contract during the period described in the notices required, the school must refund all payments made by the prospective student and cancel and return any evidence of indebtedness within 21 days after receiving any notice of cancellation. If a school fails to comply with the proper enrollment and cooling-off procedure, it shall not retain any money or evidence of indebtedness from a prospective student.

(c) If a student gives the school written notice of his or her intention to remain enrolled in a course, the time period for measuring constructive notice will begin anew from the date of the written notice. Any prior cancellation by virtue of the student's constructive notice will not be effective if the student provides this written notice of his or her intention to remain enrolled.

(d) If a student cancels his or her enrollment contract after the cooling-off period, the school shall not receive, demand, or retain more than the one hundred and fifty dollar (\$150.00) registration fee and a pro rata portion of the total contract price. This total pro rata portion shall be calculated by dividing the total number of course hours by the total contract price to obtain an hourly rate. This hourly rate shall be multiplied by the actual number of hours the student attended the school. Refunds must be made within 21 days.

(e) For courses consisting of a combination of home study lessons and resident training, not more than one hundred dollars (\$100.00) in addition to the registration fee referred to in Paragraph (d) of this Rule shall be retained by the school for those students who fail to enter resident training, unless the school submits affirmative evidence acceptable to the Commissioner of Motor Vehicles disclosing the home study lessons are of such quality and content as to reasonably assure that the students will achieve the stated objective without the resident training portion of the course.

(f) The school must include in the enrollment contract the following notice: "CANCELING THIS CONTRACT." "A student may cancel this agreement at any time before the commencement of classes and prior to the end of the five-day cooling off period and receive a full refund of the tuition that has been paid by the student. The NOTICE OF CANCELLATION to be given by the student shall be in writing and may be delivered by Registered Mail or in person to an owner, partner, corporate officer, agent, or other representative of the school. The cooling-off period begins when the student is given or mailed a signed copy of the completed contract. Contracts canceled after the cooling-off period entitle the school to retain not more than one hundred fifty dollars (\$150.00) registration fee and a pro rata portion of the total contract price based on the number of hours the student attended school. Refunds must be made within 21 days following delivery of the NOTICE OF CANCELLATION." The title of the notice "CANCELING THIS CONTRACT" must be in all capitals with boldface type.

(g) If either the school or the instructor fails to comply with the provisions of any contract or agreement between the school and the student, the school shall refund, on a pro rata basis, all monies collected from the student as consideration for the performance of the contract or the agreement.

History Note: Authority G.S. 20-320 through 20-328; Eff. May 1, 1987; Amended Eff. January 1, 1994; Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0606 MISCELLANEOUS

The school may not include in the enrollment contract or any other document a waiver of any of the rights or obligations created by this Section. No oral waiver of any of these rights or obligations shall be effective.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

SECTION .0700 - BONDING AND ADVERTISING

19A NCAC 03J .0701 BONDS

Prior to license approval, a school shall file with the Division a continuous "cash" or "surety" bond written by a company licensed to do business in North Carolina to indemnify any student against loss or damage arising out of the school's breach of contract between the school and the student. This bond shall be in an amount as set forth in Rule .0201(4)(f) of this Subchapter.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Amended Eff. January 1, 1994; February 1, 1991;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0702 CERTIFICATE OF DEPOSIT

With Division approval, a certificate of deposit may be executed and filed in lieu of a bond. The certificate shall be in the principal sum of the bond it stands in lieu of as provided in Rule .0701 of this Section.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0703 ADVERTISING

A commercial driver training school may advertise by whatever method it sees fit with the following exceptions:

- (1) The address of a telephone-answering service, when it is not the same as the principal place of business of the school, shall not be shown in any medium of advertising or telephone directory. Nor shall any telephone directory listing or yellow page advertisement show a telephone number for a school unless it also shows a valid address for the principal place of business of the school.
- (2) No advertisement shall indicate in any way that a school can or will issue or guarantee the issuance of a driver's license or imply that preferential or advantageous treatment from the Division can be obtained.
- (3) A school may state in an advertisement that it has been approved and licensed by the Division.
- (4) Commercial driver training schools must use the full name, address, and telephone number of their school in all advertising. No advertising shall imply an offer of employment or guarantee employment upon completion.
- (5) If a school makes any job or earnings claims for any course in a media advertisement, the school must include the following disclaimer in this advertisement: "Graduation from this course does not insure that you will get a job. To find out how our graduates have done, send for our job placement record."
- (6) If a school makes any written job or earnings claims about any course, other than a media advertisement, the school must include in that document full disclosures of the school's graduation and placement rates required by Rule .0604 of this Subchapter.
- (7) If a school makes any general job or earnings claims for a new course, that school must make the following disclosure in lieu of those required in Items (5) and (6) of this Rule.
 - (a) In media advertisement: "Since this course is new, we are not able to tell you about the experience of our students in getting jobs."

- (b) All other, non-media advertisements: "Since this course is new, we are not able to give you information on the graduation or placement rates of our students, or the amount of money you might earn after completing this course. As an alternative, we suggest you talk to a job counselor or State Employment Office about your chances of finding a job in the field we train you for. They will have current information on job opportunities in the area where you live. In addition, they can offer you information on starting salaries and requirements for prior work experience."
- (8) Commercial driver training schools shall not use advertisements or promotional material which is classified, designated, or captioned, "Men wanted to train for....", "Help Wanted", "Employment", "Business Opportunities", or by words or terms of similar import, so as to represent directly or by implication that employment is being offered, nor shall the word "Free" be used in any advertisement.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-327; Eff. May 1, 1987;
Amended Eff. August 1, 2002; January 1, 1994;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

SECTION .0800 - LICENSE REVOCATION OR SUSPENSION

19A NCAC 03J .0801 GROUNDS FOR REVOCATION OR SUSPENSION

The license of any commercial driver training school may be suspended or revoked by the Division if the licensee violates any provision of Article 14, Chapter 20 of the North Carolina General Statutes, or if the licensee violates any rule adopted pursuant to that Article. In addition, a license may be suspended or revoked for any one of the following reasons:

- (1) Conviction of the owner, manager, or any agent or employee of the school of a felony or conviction of any misdemeanor involving moral turpitude.
- (2) Knowingly submitting to the Division false or misleading information relating to eligibility for a license.
- (3) Evidence of substance abuse by the owner, manager, any agent, or employee of the school.
- (4) Failure or refusal to permit an authorized representative of the Division to inspect the school, equipment, records, or motor vehicles used to teach students or failure or refusal to furnish full information pertaining to any and all requirements set forth in the rules in this Subchapter or in the application for the license.
- (5) Failure to maintain licensed instructors or approved equipment sufficient to perform the course of instruction.
- (6) Employment of any instructor who is not licensed by the Division.
- (7) Failure of new owner to apply for and be licensed by the Division as a school under new ownership and also failure to notify the Division within the specified time of any change in management of the school.
- (8) Aiding or assisting any person to obtain a driver's license by fraud (revocation in this instance shall be permanent).
- (9) Unauthorized possession of application forms or examinations used by the Division to determine the qualification of an applicant for a driver's license.
- (10) Failure of the school to give the student a copy of his contract and also use by the school of a contract which has not been submitted to and approved by the Division of Motor Vehicles.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-326; 20-327; Eff. May 1, 1987;
Amended Eff. August 1, 2002; January 1, 1994;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0802 INSTRUCTOR LICENSE SUSPENSION OR REVOCATION

In addition to the grounds for revocation listed in Rule .0801 of this Section, the license of any commercial driver training instructor shall be revoked if his driver's license is suspended or revoked or if he accumulates seven or more points, as a result of being convicted of moving violations, in a twelve-month period. Reinstatement of the commercial driver training instructor's license shall follow the same procedure as an application for a new license.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-326; 20-327;
Eff. May 1, 1987;
Amended Eff. August 1, 2002; January 1, 1994;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0803 REVOCATION OR SUSPENSION PROCEDURE

If any school or instructor or recruiter is alleged to be in violation of any provision of Article 14, Chapter 20 of the General Statutes or of any provision of the rules of this Subchapter, the school or instructor or recruiter shall be notified by certified or registered mail of the suspension or revocation. This notice shall be issued by the office of the Commissioner of Motor Vehicles, and the notification shall set forth the details of the alleged violation which formed the basis for the action. The school (through its owner, partner, or corporate officer) or the instructor or the recruiter may request in writing a hearing. This request must be made within 30 days of receipt of the certified or registered letter. The hearing shall be heard by an officer designated by the commissioner and the school or instructor or recruiter may be represented by counsel. Upon completion of the hearing, the Division shall notify the school or instructor or recruiter within 30 days of the decision of the hearing officer. This decision may be appealed as provided by G.S. Chapter 150B.

History Note: Authority G.S. 20-320 through 20-328;
Eff. May 1, 1987;
Amended Eff. January 1, 1994; October 1, 1991;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

SECTION .0900 - REQUIREMENTS AND APPLICATIONS FOR DRIVER TRAINING SCHOOL RECRUITERS

19A NCAC 03J .0901 REQUIREMENTS

Recruiters working for commercial driver training schools shall comply with the requirements in 19A NCAC 03J .0601-.0606.

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-326;
Eff. October 1, 1991;
Amended Eff. August 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.

19A NCAC 03J .0902 ORIGINAL APPLICATION

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325;
Eff. October 1, 1991;
Amended Eff. January 1, 1994;
Repealed Eff. August 1, 2002.

19A NCAC 03J .0903 RENEWAL APPLICATION

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324;
Eff. October 1, 1991;
Repealed Eff. August 1, 2002.

19A NCAC 03J .0904 DUPLICATE COPIES

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325;
Eff. October 1, 1991;
Repealed Eff. August 1, 2002.

19A NCAC 03J .0905 CONFIDENTIALITY

History Note: Authority G.S. 20-321;
Eff. October 1, 1991;
Repealed Eff. January 1, 1994.

19A NCAC 03J .0906 SURRENDER OF LICENSES

History Note: Authority G.S. 20-320; 20-321; 20-322; 20-323; 20-324; 20-325; 20-327;
Eff. October 1, 1991;
Repealed Eff. August 1, 2002.

19A NCAC 03J .0907 LICENSE REQUIRED

No person shall act as an instructor without the proper license as set forth in this Subchapter. A recruiter must have a separate license for each school that he represents. All recruiters must verify by signature that they have read and that they understand the rules on advertising and solicitation and must verify their intent to follow rules as they are set forth.

History Note: Authority G.S. 20-321;
Eff. October 1, 1991;
Amended Eff. January 1, 1994;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. September 22, 2018.