

(3) The State Board may not issue a certificate of approval to an institution that practices discrimination based on race, color, or national origin.

(4) This subsection does not apply to an institution operated by a bona fide church organization, including the Amish and Mennonite church parochial schools. However, an institution that does not have a certificate of approval from the State Board may not receive State funds, except that an institution operated by a bona fide church organization is not required to have a certificate to receive State funds for eligible students in the food service program who are enrolled in nursery school through the eighth grade.

(f) (1) If the State Board believes that a noncollegiate educational institution that applies for a certificate of approval does not meet the conditions or standards necessary for the issuance of the certificate, it shall give the institution written notice of the specific deficiencies.

(2) Within 20 days of receipt of a notice of deficiencies, the institution may request a hearing before the Board, and within 60 days of receipt of the request, the Board shall hold a hearing to determine if the certificate of approval should be issued.

(3) If, within 6 months from the date on which the application for certification was submitted to the State Board, the institution has received neither a certificate of approval under subsection (e) of this section nor written notice of deficiencies under this subsection, it may request within 20 days, a hearing before the Board to determine if the certificate of approval should be issued.

(g) (1) If the State Board believes that a noncollegiate educational institution does not meet the conditions or standards on which its certificate of approval was based, it shall give the institution written notice of this belief.

(2) The notice shall specify the alleged deficiencies and direct the institution to correct them within a period of not less than 30 days as set by the Board. If the institution requests a hearing within 20 days of the notice, the Board shall hold a hearing to determine the matter.

(3) The order to correct the deficiencies shall be stayed until a determination is made after the hearing.

(h) (1) The State Board may order a noncollegiate educational institution to end operations if the institution fails to correct the specified deficiencies within the period set by the Board and if: