**Section 340.1140 Denial of Initial License**

a) In addition to the criteria outlined in Section 340.1130, the Director may deny the issuance of an initial license based on *revocation of a facility license. During the previous five years, if such prior license was issued to the individual applicant, a controlling owner or controlling combination of owners of the applicant; or any affiliate of the individual applicant or controlling owner of the applicant and such individual applicant, controlling owner of the applicant or affiliate of the applicant was a controlling owner of the prior license; provided, however, that the denial of an application for a license pursuant to this* Part *must be supported by evidence that such prior revocation renders the applicant unqualified or incapable of meeting or maintaining a facility in accordance with* the Act and this Part. (Section 3-117 (5) of the Act)

b) *Immediately upon denial of any application or reapplication for a license, the Department shall notify the applicant in writing. The notice of denial shall include a clear and concise statement of violations of Section* 3-117 of the Act *on which denial is based and notice of the opportunity for hearing*. (Section 3-118 of the Act)