

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

S

2

SENATE BILL 1070
Finance Committee Substitute Adopted 6/10/08

Short Title: Interest Rates for Scholarship Loan Programs.

(Public)

Sponsors:

Referred to:

March 21, 2007

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE STATE EDUCATION ASSISTANCE AUTHORITY
2 TO SET THE INTEREST RATE FOR THREE SCHOLARSHIP LOAN
3 PROGRAMS AT A RATE NOT TO EXCEED TEN PERCENT PER ANNUM.
4

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 90-171.62(a) reads as rewritten:

7 "(a) All scholarship loans shall be evidenced by notes made payable to the State
8 Education Assistance Authority that bear interest at ~~the rate of~~ a rate not to exceed ten
9 percent (10%) per year as set by the Authority and beginning 90 days after completion
10 of the nursing education program, or 90 days after termination of the scholarship loan,
11 whichever is earlier. The scholarship loan may be terminated upon the recipient's
12 withdrawal from school or by the recipient's failure to meet the standards set by the
13 Commission."

14 **SECTION 2.** G.S. 90-171.101(a) reads as rewritten:

15 "(a) All scholarship loans shall be evidenced by notes made payable to the State
16 Education Assistance Authority that bear interest at ~~the rate of~~ a rate not to exceed ten
17 percent (10%) per year as set by the Authority and beginning 90 days after completion
18 of the nursing education program, or 90 days after termination of the scholarship loan,
19 whichever is earlier. The scholarship loan may be terminated upon the recipient's
20 withdrawal from school or by the recipient's failure to meet the standards set by the
21 Commission."

22 **SECTION 3.** G.S. 116-74.43(a) reads as rewritten:

23 "(a) All scholarship loans shall be evidenced by notes made payable to the State
24 Education Assistance Authority that bear interest at ~~the rate of~~ a rate not to exceed ten
25 percent (10%) per year as set by the Authority and beginning 90 days after completion
26 of the school administrator program, or 90 days after termination of the scholarship
27 loan, whichever is earlier. The scholarship loan may be terminated upon the recipient's
28 withdrawal from school or by the recipient's failure to meet the standards set by the
29 Commission."

1 **SECTION 4.** This act becomes effective January 1, 2009, and applies to all
2 scholarship loans issued on and after July 1, 2009.