

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 1070

Short Title: Interest Rates for Scholarship Loan Programs.

(Public)

Sponsors: Senators Swindell; Apodaca, Purcell, and Rand.

Referred to: Finance.

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.
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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 beginning 90 days after completion of the nursing education
10 program, or 90 days after termination of the scholarship loan, whichever is earlier. The
11 scholarship loan may be terminated upon the recipient's withdrawal from school or by
12 the recipient's failure to meet the standards set by the Commission."

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

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

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

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

27 **SECTION 4.** This act becomes effective January 1, 2008, and applies to all
28 scholarship loans issued on and after July 1, 2008.