

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE DRS75300-LH-202 (03/07)

Short Title: Interest Rates for Scholarship Loan Programs.

(Public)

Sponsors: Senator Swindell.

Referred to:

A BILL TO BE ENTITLED

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

The General Assembly of North Carolina enacts:

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

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

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

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

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

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

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