

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 650

Short Title: Teacher Loan Payback Changes.

(Public)

Sponsors: Senators Gunter; Perdue and Jordan.

Referred to: Education/Higher Education.

March 31, 1993

A BILL TO BE ENTITLED

AN ACT TO GIVE RECIPIENTS OF PROSPECTIVE TEACHER SCHOLARSHIP LOANS CREDIT AGAINST THE LOAN AMOUNT FOR WORKING PART TIME AS TEACHERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-471(5) reads as rewritten:

"(5) For each ~~full~~ one-half school year taught in a North Carolina public school, the recipient of a scholarship loan shall receive credit upon the amount due by reason of ~~such~~ the loan equal to all interest accrued upon the loan to that time plus a credit of ~~two~~ one thousand dollars ~~(\$2,000)~~ (\$1,000) upon the principal amount of ~~such~~ the obligation or ~~such~~ the lesser amount as ~~may remain due upon said principal; that remains due upon the principal.~~ For up to two full school years taught in a North Carolina public school as a part-time teacher who is working at least one-half time, the recipient of a scholarship loan shall receive credit for each year upon the amount due by reason of the loan equal to all interest accrued upon the loan to that time plus a credit of one thousand dollars (\$1,000) upon the principal amount of the obligation or the lesser amount that remains due upon the principal. ~~provided, however, that in~~ In lieu of teaching in the public school, a recipient may elect to pay in cash the full amount of scholarship loans received plus interest then due thereon or any part thereof which has not been canceled by the State Board of Education by reason of teaching service rendered.

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1 The Department of Public Instruction shall monitor recipients of
2 Prospective Teacher Scholarship Loans that elect to teach in the public
3 schools instead of repaying the loans to ensure that they are properly
4 fulfilling their obligations to teach in the public schools."

5 Sec. 2. This act becomes effective July 1, 1993.