

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 794
HOUSE BILL 1291

AN ACT TO AMEND CHAPTER 116, ARTICLE 23, OF THE GENERAL STATUTES, PERTAINING TO THE STATE EDUCATION ASSISTANCE AUTHORITY FOR THE PURPOSE OF AUTHORIZING THE MAKING OF PARENTAL LOANS TO AID RESIDENT STUDENTS IN PURSUING THEIR EDUCATION BEYOND THE HIGH SCHOOL LEVEL.

The General Assembly of North Carolina enacts:

Section 1. Chapter 116, Article 23, of the General Statutes, is amended by adding at the end a new section to read as follows:

"§ **116-209.100. Parental loans.** — (a) Policy. The General Assembly of North Carolina hereby finds and declares that the making and insuring of loans to the eligible parents of resident students is fully consistent with and furthers the long established policy of the State to encourage, promote and assist the education of the people of the State as more fully set forth in G.S. 116-201(a).

(b) Definitions. As used in this section, the following terms shall have the following meanings:

- (1) 'Obligations', 'student obligations', or 'student loan obligations' as defined under G.S. 116-201(b)(7) includes, unless the context indicates a contrary intent, parental obligations.
- (2) 'Parent' means a student's mother, father, adoptive parent, or legal guardian of the student if such guardian is required by court order to use his or her own financial resources to support that student.
- (3) 'Parental loans' means loans made or guaranteed by the authority to a parent of an eligible student.
- (4) 'Parental obligations' means obligations evidencing loans made pursuant to subsection (c) of this section.
- (5) 'Resident student' means a student deemed by appropriate officials to qualify for the in-State tuition rate under some provision of G.S. 116-143.1.
- (6) 'Student loans' includes, unless the context indicates a contrary intent, parental loans.

(c) Parental assistance. The authority is authorized to develop and administer programs and perform all functions necessary or convenient to promote and facilitate the making and insuring of loans to parents of resident students in order to facilitate the vocational and college education of such students who are enrolled or to be enrolled in eligible institutions. The authority is also authorized to provide such other services and loan assistance to parents of resident students as the authority shall deem necessary or desirable for carrying out the purpose of this section and for qualifying for loans, grants, insurance, and other benefits and assistance under any program of the United States now or hereafter authorized fostering loans to eligible parents of resident students.

(d) Authorization to buy and sell parental obligations. The authority is hereby authorized and empowered to buy and sell parental obligations.

(e) Authorization to issue bonds. The authority is hereby authorized to provide for the issuance, at one time or from time to time, of bonds or revenue bonds, as such terms are defined in G.S. 116-201(4), in conformity with provisions of this section."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 3rd day of July, 1981.