

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 110
Committee Substitute Favorable 4/29/25

Short Title: Nat.l Guard Student Loan Repayment Program.

(Public)

Sponsors:

Referred to:

February 13, 2025

A BILL TO BE ENTITLED
AN ACT TO CREATE THE NATIONAL GUARD STUDENT LOAN REPAYMENT
PROGRAM AND TO APPROPRIATE FUNDS.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 127A of the General Statutes is amended by adding a new Article to read:

"Article 19.

"National Guard Student Loan Repayment Program.

"§ 127A-230. National Guard Student Loan Repayment Program.

The National Guard Student Loan Repayment Program is established. The Program shall provide student loan repayment awards to active members of the North Carolina National Guard to incentivize the initiation or completion of a term of service with the North Carolina National Guard. For purposes of this Article, a term of service shall be no shorter than three years in length.

"§ 127A-231. Program administration.

(a) The general supervision and administration of the Program shall be vested in the North Carolina National Guard Adjutant General. It shall be the duty of the Adjutant General or the Adjutant General's designee to do each of the following:

- (1) Organize and establish rules and regulations for the Program, as necessary.
- (2) Direct and control all Program personnel matters.
- (3) Oversee and direct the administration and functioning of the Program.

(b) The Program shall include at a minimum each of the following guidelines:

- (1) No award recipient shall receive an award exceeding the amount of student loan debt held by the recipient at the time of the award.
- (2) No award recipient shall receive an award exceeding fifty thousand dollars (\$50,000) for an initial three-year term of service, except that recipients serving a term of service exceeding three years in length may receive up to an additional ten thousand dollars (\$10,000) in award monies for each additional year of service beyond the first three years of service.
- (3) Prior to receiving an award from the Program, award recipients shall submit a signed and notarized agreement to repay to the National Guard Student Loan Repayment Program Fund award monies for every month of the term of service the award recipient failed to serve as an active member of the North Carolina National Guard. Repayment pursuant to the agreement required by this subdivision shall only apply to an award recipient whose term of service was terminated (i) voluntarily or (ii) involuntarily due to misconduct. The repayment amount under this subdivision shall equal the product of the total



1 number of months of the term of service in which the award recipient failed
2 to serve as an active member of the North Carolina National Guard, multiplied
3 by the quotient of the total amount of the award divided by the total number
4 of months of the term of service. The repayment agreement must contain terms
5 no less favorable than the award recipient's original loan agreement that was
6 paid off by the award.

7 **"§ 127A-232. National Guard Student Loan Repayment Program Fund.**

8 (a) The National Guard Student Loan Repayment Program Fund is established as a
9 nonreverting special revenue fund. The Fund consists of General Fund appropriations, gifts,
10 donations, grants, devises, fees, and monies contributed by State and non-State entities for the
11 operation, maintenance, and expansion of the National Guard Student Loan Repayment Program
12 established by this Article, and any other revenues specifically allocated to the Fund by an act of
13 the General Assembly.

14 (b) Revenue credited to the Fund may only be used for costs associated with the
15 operations, maintenance, and expansion of the National Guard Student Loan Repayment Program
16 established by this Article."

17 **SECTION 2.** There is appropriated from the General Fund to the North Carolina
18 National Guard Student Loan Repayment Program Fund the sum of twenty-five million five
19 hundred forty thousand nine hundred dollars (\$25,540,900) in nonrecurring funds for the
20 2025-2026 fiscal year to be used pursuant to the guidelines of that Fund.

21 **SECTION 3.** There is appropriated from the General Fund to the North Carolina
22 National Guard the sum of one hundred eighty thousand dollars (\$180,000) in recurring funds
23 for the 2025-2026 fiscal year to be used to hire at least two full-time communications
24 professionals.

25 **SECTION 4.** This act becomes effective July 1, 2025.