

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

H

1

HOUSE BILL 1622

Short Title: Repay Public Attorneys' School Loans.

(Public)

Sponsors: Representatives Michaux; and H. Hunter.

Referred to: Appropriations.

June 5, 1992

1 A BILL TO BE ENTITLED  
2 AN ACT TO ASSIST IN THE REPAYMENT OF LAW SCHOOL LOANS OWED  
3 BY ATTORNEYS WHO GRADUATED FROM LAW SCHOOL IN NORTH  
4 CAROLINA AND WHO ARE EMPLOYED BY THE STATE OR LOCAL  
5 GOVERNMENT AND TO APPROPRIATE FUNDS.

6 The General Assembly of North Carolina enacts:

7 Section 1. Chapter 116 of the General Statutes is amended by adding a new  
8 article to read:

9 **"ARTICLE 23A.**

10 **"LOAN REPAYMENT PROGRAM FOR PUBLIC ATTORNEYS.**

11 **"§ 116-209.30. Definitions.**

12 As used in this Article:

13 (1) 'Eligible employment' means employment as an attorney by the State  
14 or any local government in the State, but does not mean employment  
15 as a research assistant in any court of the General Court of Justice.

16 (2) 'Law school loan' means any loan for attendance at a law school in  
17 North Carolina that is obtained for tuition, educational expenses, or  
18 living expenses from a college or university, government, or  
19 commercial source.

20 **"§ 116-209.31. Loan Repayment Program for Public Attorneys established.**

21 The Loan Repayment Program for Public Attorneys is established for the purpose of  
22 encouraging and assisting attorneys who receive their professional degree in this State  
23 to seek employment by the State or local governments in the State.

24 **"§ 116-209.32. Administration of Program.**

1        The State Education Assistance Authority shall, in addition to all other powers and  
2 duties vested or imposed under Article 23 of this Chapter, administer the Loan  
3 Repayment Program for Public attorneys. The Authority shall:

4            (1) Assist in the repayment of law school loans owed by eligible attorneys;

5            (2) Adopt regulations to establish:

6            a. The maximum starting income for eligibility in the Loan  
7 Repayment Program for Public Attorneys;

8            b. The maximum total income for eligibility in the Loan  
9 Repayment Program for Public Attorneys, including any  
10 additional sources of income;

11           c. Priority for participation in the Program to an eligible individual  
12 who:

13            1. Graduated from law school in the last three years;

14            2. Is a resident of the State;

15            3. Is employed on a full-time basis; and

16            4. Provides, as the principal part of the attorney's eligible  
17 employment, legal services, to low income residents in  
18 the State who cannot afford legal services, as determined  
19 by the State Education Assistance Authority;

20           d. A limit on the total amount of assistance provided by the State  
21 Education Assistance Authority in repaying the law school loan  
22 of an eligible attorney, based on the attorney's total income and  
23 outstanding law school loan balance;

24           e. A procedure and schedule for the payment of the amount of  
25 loan assistance provided by the State Education Assistance  
26 Authority to the eligible attorney; and

27           f. An annual review of the eligibility of each attorney  
28 participating in the Program.

29           (3) Adopt any other regulations necessary to implement this Article.

30 **"§ 116-209.33. Eligibility requirements.**

31           (a) An attorney who:

32            (1) Receives a juris doctor (J.D.) degree from a school of law in this State;

33            (2) Obtains eligible employment;

34            (3) Receives an income that is less than the maximum eligible total  
35 income levels established by the Authority, including any additional  
36 sources of income; and

37            (4) Satisfies any other criteria established by the Authority;

38 is eligible to apply to the Authority for the repayment of law school loans.

39           (b) An applicant for assistance in the repayment of a commercial law school loan  
40 shall demonstrate to the Authority that the commercial law school loan was used for  
41 tuition, educational expenses, or living expenses for law school.

42 **"§ 116-209.34. Funding.**

43           Funds for the Loan Repayment Program for Public Attorneys shall be provided on  
44 an annual basis by an appropriations act of the General Assembly."

1                   Sec. 2. There is appropriated from the General Fund to the State Education  
2 Assistance Authority the sum of fifty thousand dollars (\$50,000) for the 1992-93 fiscal  
3 year to implement Section 1 of this act.

4                   Sec. 3. This act becomes effective July 1, 1992.