

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION

CHAPTER 252
SENATE BILL 268

AN ACT TO PROVIDE THAT FEES PAID BY BORROWERS TO LOSS RESERVE ACCOUNTS OF STATE-FUNDED ECONOMIC DEVELOPMENT PROGRAMS ARE NOT CONSIDERED INTEREST OR SUBJECT TO CLAIMS OR DEFENSES OF USURY.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 24 of the General Statutes is amended by adding a new section to read:

"§ 24-9.3. Economic development loans.

Fees or other funds paid by borrowers for contribution to loss reserve accounts administered and controlled by nonprofit corporations that are part of State-funded programs that provide loans to promote economic development shall not be considered interest under this Chapter and shall not be subject to claims or defenses of usury."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1995.

Dennis A. Wicker
President of the Senate

Harold J. Brubaker
Speaker of the House of Representatives