



HOUSE BILL 110: Nat.l Guard Student Loan Repayment Program.

2025-2026 General Assembly

Committee: House Homeland Security and Military and Veterans Affairs. If favorable, re-refer to Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House
Date: April 29, 2025

Introduced by: Reps. Reives, Loftis, Goodwin, Pittman
Prepared by: Amy Darden
Analysis of: PCS to First Edition
 Committee Counsel
 H110-CSBBa-13

OVERVIEW: *House Bill 110 would do the following:*

- *Create the National Guard Student Loan Repayment Program to provide student loan repayment awards to active members of the North Carolina National Guard.*
- *Create the National Guard Student Loan Repayment Program Fund.*
- *Appropriate \$25,540,900 from the General Fund in nonrecurring funds for the 2025-2026 fiscal year for the National Guard Student Loan Repayment Program Fund.*
- *Appropriate \$180,000 from the General Fund to the NC National Guard in recurring funds for the 2025-2026 fiscal year to hire two full-time communications professionals.*

The PCS would clarify that the \$50,000 award is only for the initial three-year term, make any repayment terms similar to the terms of the award recipients original loan, and clarify that both voluntary and involuntary due to misconduct dismissals would require repayment of any award.

CURRENT LAW: Chapter 127A of the General Statutes deals with the militia, including the National Guard, Naval Militia, and State Defense Militia.

BILL ANALYSIS: The PCS to House Bill 110 would add a new Article 19 to Chapter 127A to create the National Guard Loan Repayment Program (Program) to provide student loan repayment awards to active members of the NC National Guard to incentivize the initiation or completion of a three-year term of service. The NC National Guard Adjutant General would be the general supervisor and administrator of the Program. The Adjutant General, or their designee, would do the following:

- Organize and establish rules and regulations for the Program.
- Direct and control all Program personnel matters.
- Oversee and direct the administration and functioning of the Program.

The Program would be subject to the following guidelines:

- No award can exceed the amount of student loan debt held by the recipient at the time of the award.
- No award can exceed \$50,000 for an initial three-year term of service; any term of service exceeding three years may receive up to an additional \$10,000 for each additional year beyond the first three years.

Kara McCraw
Director



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- Prior to receiving the award, the recipient must sign an agreement to repay award monies for every month of the term of service they failed to serve as an active member of the NC National Guard. This only applies if their term of service was terminated voluntarily or involuntarily due to misconduct. The repayment agreement must contain terms no less favorable than the award recipient's original loan agreement that was paid off by the award.

The PCS to House Bill 110 would also create the National Guard Student Loan Repayment Program Fund as a nonreverting special revenue fund. Any revenue credited to the fund could only be used for costs associated with the operations, maintenance, and expansion of the Program.

The PCS would appropriate \$25,540,900 from the General Fund in nonrecurring funds for the 2025-2026 fiscal year for the National Guard Student Loan Repayment Program Fund to be used pursuant to the Fund guidelines.

The PCS would appropriate \$180,000 from the General Fund in recurring funds to the NC National Guard for the 2025-2026 fiscal year to hire two full-time communications professionals.

EFFECTIVE DATE: The PCS would become effective July 1, 2025.