



CHAPTER 159D  
ARTICLE 2 - PRIVATE CAPITAL FACILITIES FINANCE ACT

N.C.G.S. § 159D-40.

Criteria and requirements.

|                                                                                    |                                                               |                                           |                                                                                              |
|------------------------------------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------|
| SOURCE<br>General Statutes of North Carolina, as published by the General Assembly | LAST AMENDMENT IN THIS TEXT<br>No amendment history on record | RETRIEVED<br>21 September 2026, 05:34 UTC | SOURCE FINGERPRINT<br>e604e918b3aae23e688a50b9 - fa01796a7341c0ff7eebbe85 - a7f8eaae6b97b022 |
|------------------------------------------------------------------------------------|---------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------|

- § 159D-40(a)

In undertaking any project pursuant to this Article, the agency shall be guided by and shall observe the following criteria and requirements listed below. The determination of the agency as to its compliance with these criteria and requirements is conclusive.

(1)

No project shall be sold or leased nor any loan made to any participating institution that is not financially responsible and capable of fulfilling its obligations, including its obligations under an agreement of sale or lease or a loan agreement to make purchase price payments, to pay rent, to make loan repayments, to operate, repair and maintain at its own expense the project and to discharge any other responsibilities imposed under the agreement of sale or lease or loan agreement.

(2)

Adequate provision shall be made for the payment of the principal of and the interest on the bonds and any necessary reserves for payment and for the operation, repair and maintenance of the project at the expense of the participating institution.

(3)

The public facilities, including utilities, and public services necessary for the project will be made available.

(4)

The projects shall be operated to serve and benefit the public and there shall be no discrimination against any person based on race, creed, color, or national origin.

- § 159D-40(b)

In making these determinations, the agency may consider the participating institution's experience and ratio of current assets to current liabilities; the participating institution's net worth, earnings trends, and coverage of fixed charges;

the nature of the project involved; and any additional security for payment of the bonds and performance of the participating institution's obligations under the agreement of sale or lease or loan agreement, such as credit enhancement, insurance, guaranties, or property pledged to secure the payment and performance. (1985 (Reg. Sess., 1986), c. 794, s. 6; 1998-124, s. 6; 2000-179, s. 2.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

## APPARATUS III

## Citation

## FULL SECTION

N.C. Gen. Stat. § 159D-40 (2026).

## PINPOINT

N.C. Gen. Stat. § 159D-40(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

## COLOPHON

## Provenance

This document reproduces the text of one section of the General Statutes of North Carolina from a source file whose SHA-256 digest is printed on every page. The digest fixes the bytes this export was made from; if the State's file changes, the digest will not match.

The text of the section is unaltered. Subsection designators have been moved from the run of text into the margin. The amendment history and the table of authorities are derived from the section by mechanical extraction — they add no characterization of the law.

This is not the official text. The official text is published by the General Assembly of North Carolina.

SET IN SPECTRAL AND ARCHIVO  
NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

