



CHAPTER 160A
ARTICLE 3 - CONTRACTS

N.C.G.S. § 160A-17.2.

Security interests in United States
Department of Agriculture loans.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 02:07 UTC	908a221d7b2d88c322be56f8 - d980909a265ec69e8899c6f2 - 29857400c0b54f23

- § 160A-17.2(a)

A county or municipality may pledge a security interest in an escrow account funded with loan proceeds, or a certificate of deposit, to secure repayment of the loan, only if the loan is an interest-free loan agreement entered into with the United States Department of Agriculture or an authorized intermediary acting on behalf of the United States Department of Agriculture. Any such escrow account must be substantiated by a written escrow agreement, and the funds must be deposited in accordance with G.S. 159-30 and G.S. 159-31. Any certificate of deposit shall comply with the requirements of G.S. 159-30.
- § 160A-17.2(b)

An interest-free loan agreement entered into under this section is subject to approval by the Local Government Commission under Article 8 of Chapter 159 of the General Statutes, unless exempted in G.S. 159-148(b).
- § 160A-17.2(c)

No deficiency judgment may be rendered against any county or municipality in any action for breach of a contractual obligation authorized by this section. The taxing power of a county or municipality is not and may not be pledged directly or indirectly to secure any moneys due under a contract authorized by this section. (2015-207, s. 3.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
3 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 159-30	(a)	<i>"must be deposited in accordance with"</i>
G.S. 159-31	(a)	<i>"in accordance with G.S. 159-30 and"</i>
G.S. 159-148(b)	(b)	<i>"the General Statutes, unless exempted in"</i>

APPARATUS III

Citation

FULL SECTION
N.C. Gen. Stat. § 160A-17.2 (2026).

PINPOINT
N.C. Gen. Stat. § 160A-17.2(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.

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