

CHAPTER 143B (VETERANS), GENERAL STATUTES OF NORTH CAROLINA

ARTICLE 14. SCHOLARSHIPS FOR CHILDREN OF WAR VETERANS

North Carolina Department of Military and Veterans Affairs

DIVISION OF VETERANS AFFAIRS

§ 143B-1223. Purpose.

In appreciation for the service and sacrifices of North Carolina's war veterans and as evidence of this State's concern for their children, there is hereby continued a revised program of scholarships for said children as set forth in this Part. (1967, c. 1060, s. 8; 2015-241, s. 24.1(c); 2015-268, s. 7.3(a).)

§ 143B-1224. Definitions.

As used in this Part the terms defined in this section shall have the following meaning:

- (1) "Active federal service" means full-time duty in the Armed Forces other than active duty for training; however, if disability or death occurs while on active duty for training (i) as a direct result of armed conflict or (ii) while engaged in extra-hazardous service, including such service under conditions simulating war, such active duty for training shall be considered as active federal service.
- (2) "Armed Forces" means the United States Army, Navy, Marine Corps, Air Force, and Coast Guard, including their reserve components.
- (3) "Child" means a person: (i) under 25 years of age at the time of application for a scholarship, (ii) who is a domiciliary of North Carolina and is a resident of North Carolina when applying for a scholarship, (iii) who has completed high school or its equivalent prior to receipt of a scholarship awarded under this Part, (iv) who has complied with the requirements of the Selective Service System, if applicable, and (v) who further meets one of the following requirements:
 - a. A person whose veteran parent was a legal resident of North Carolina at the time of said veteran's entrance into that period of service in the Armed Forces during which eligibility is established under G.S. 143B-1226.
 - b. A veteran's child who was born in North Carolina and has been a resident of North Carolina continuously since birth. Provided, that the requirement in the preceding sentence as to birth in North Carolina may be waived by the Department of Military and Veterans Affairs if it is shown to the satisfaction of the Department that the child's mother was a native-born resident of North Carolina and was such resident at the time of her marriage to the veteran and was outside the State temporarily at the time of the child's birth, following which the child was returned to North Carolina within a reasonable period of time where said child has since lived continuously.
 - c. A person meeting either of the requirements set forth in subdivision (3) a or b above, and who was legally adopted by the veteran prior to said person's reaching the age of 15 years.

- (4) "Period of war" and "wartime" shall mean any of the periods or circumstances as defined below:
- a. World War I, meaning (i) the period beginning on April 6, 1917 and ending on November 11, 1918, and (ii) in the case of a veteran who served with the Armed Forces in Russia, the period beginning on April 6, 1917 and ending on April 1, 1920.
 - b. World War II, meaning the period beginning on December 7, 1941 and ending on December 31, 1946.
 - c. Korean Conflict, meaning the period beginning on June 27, 1950 and ending on January 31, 1955.
 - d. Vietnam era, meaning the period beginning on August 5, 1964, and ending on May 7, 1975.
 - e. Persian Gulf War, meaning the period beginning on August 2, 1990, and ending on the date prescribed by Presidential proclamation or concurrent resolution of the United States Congress.
 - f. Any period of service in the Armed Forces during which the veteran parent of an applicant for a scholarship under this Part suffered death or disability (i) as a direct result of armed conflict or (ii) while engaged in extra-hazardous service, including such service under conditions simulating war.
- (5) "Private educational institution" means any junior college, senior college or university which is operated and governed by private interests not under the control of the federal, State or any local government, which is located within the State of North Carolina, which does not operate for profit, whose curriculum is primarily directed toward the awarding of associate, baccalaureate or graduate degrees, which agrees to the applicable administration and funding provisions of G.S. 143B-1227, of this Part, and which is otherwise approved by the State Board of Veterans Affairs.
- (6) "State educational institution" means any constituent institution of The University of North Carolina, or any community college operated under the provisions of Chapter 115D of the General Statutes of North Carolina.
- (7) "Veteran" means a person who served as a member of the Armed Forces in active federal service during a period of war and who was separated from the Armed Forces under conditions other than dishonorable. A person who was separated from the Armed Forces under conditions other than dishonorable and whose death or disability was incurred (i) as a direct result of armed conflict or (ii) while engaged in extra-hazardous service, including such service under conditions simulating war, shall also be deemed a "veteran" and such death or disability shall be considered wartime service-connected. (1967, c. 1060, s. 8; 1969, c. 720, s. 3; c. 741, ss. 1, 2; 1971, c. 339; 1973, c. 620, s. 9; c. 755; 1975, c. 160, s. 1; 1977, c. 70, s. 27; 1985, c. 39, s. 2; c. 788; 1989, c. 767, s. 1; 1991, c. 549, s. 1; 2001-424, s. 7.1(a); 2002-126, s. 19.3(a); 2008-107, s. 19.2(b); 2008-187, s. 48; 2008-192, s. 11; 2011-183, s. 115; 2015-241, ss. 24.1(c), (hh); 2015-268, s. 7.3(a).)

§ 143B-1225. Scholarship.

(a) A scholarship granted pursuant to this Part shall consist of the following benefits in either a State or private educational institution:

- (1) With respect to State educational institutions, unless expressly limited elsewhere in this Part, a scholarship shall consist of:
 - a. Tuition at the State educational institution.
 - b. A standard board allowance.
 - c. A standard room allowance.
 - d. Matriculation and other institutional fees required to be paid as a condition to remaining in the institution and pursuing the course of study selected.
- (2) With respect to private educational institutions, a scholarship shall consist of a monetary allowance as prescribed in G.S. 143B-1227(d).
- (3) Only one scholarship may be granted pursuant to this Part with respect to each child and it shall not extend for a longer period than four academic years, which years, however, need not be consecutive.
- (4) No educational assistance shall be afforded a child under this Part after the end of an eight-year period beginning on the date the scholarship is first awarded. Those persons who have been granted a scholarship under this Part prior to the effective date of this act shall be entitled to the remainder of their period of scholarship eligibility if used prior to August 1, 2010. Whenever a child is enrolled in an educational institution and the period of entitlement ends while enrolled in a term, quarter or semester, such period shall be extended to the end of such term, quarter or semester, but not beyond the entitlement limitation of four academic years.
- (5) A scholarship awarded to a student under this section shall not exceed the cost of attendance at the State educational institution at which the student is enrolled. If a student, who is eligible for a scholarship under this section, also receives a scholarship or other grant covering the cost of attendance at the State educational institution for which the scholarship is awarded, then the amount of the scholarship shall be reduced by an appropriate amount determined by the State educational institution at which the student is enrolled. The scholarship shall be reduced so that the sum of all grants and scholarship aid covering the cost of attendance received by the student, including the scholarship under this section, shall not exceed the cost of attendance for the State educational institution at which the student is enrolled.

(b) If a child is awarded a scholarship under this Part, the Commission shall notify the recipient by May 1st of the year in which the recipient enrolls in college. (1967, c. 1060, s. 8; 1969, c. 741, s. 3; 1975, c. 137, s. 1; 1989, c. 767, s. 2; 2001-424, s. 7.1(b); 2002-126, s. 19.3(b); 2008-107, s. 19.2(a); 2015-241, ss. 24.1(c), (ii); 2015-268, s. 7.3(a).)

§ 143B-1226. Classes or categories of eligibility under which scholarships may be awarded.

A child, as defined in this Part, who falls within the provisions of any eligibility class described below shall, upon proper application be considered for a scholarship, subject to the provisions and limitations set forth for the class under which the child is considered:

- (1) Class I-A: Under this class a scholarship shall be awarded to any child whose veteran parent
 - a. Was killed in action or died from wounds or other causes not due to the parent's own willful misconduct while a member of the Armed Forces during a period of war, or
 - b. Has died of service-connected injuries, wounds, illness or other causes incurred or aggravated during wartime service in the Armed Forces, as rated by the United States Department of Veterans Affairs.
- (2) Class I-B: Under this class a limited scholarship providing only those benefits set forth in G.S. 143B-1225(a)(1)a. and d. and G.S. 143B-1225(a)(2) shall be awarded to any child whose veteran parent, at the time the benefits pursuant to this Part are sought to be availed of, is or was at the time of his death receiving compensation for a wartime service-connected disability of one hundred percent (100%) as rated by the United States Department of Veterans Affairs. Provided, that if the veteran parent of a recipient under this class should die of his wartime service-connected condition before the recipient shall have utilized all of his scholarship eligibility time, then the North Carolina Department of Military and Veterans Affairs shall amend the recipient's award from Class I-B to Class I-A for the remainder of the recipient's eligibility time. The effective date of such an amended award shall be determined by the Department of Military and Veterans Affairs but, in no event shall it predate the date of the veteran parent's death.
- (3) Class II: Under this class a scholarship may be awarded to not more than 100 children yearly, each of whose veteran parent, at the time the benefits pursuant to this Part are sought to be availed of:
 - a. Is or was at the time of the parent's death receiving compensation for a wartime service-connected disability of twenty percent (20%) or more, but less than one hundred percent (100%), as rated by the United States Department of Veterans Affairs, or
 - b. Was awarded a Purple Heart for wounds received as a result of an act of any opposing armed force, as a result of an international terrorist attack, or as a result of military operations while serving as part of a peacekeeping force.
- (4) Class III: Under this class a scholarship may be awarded to not more than 100 children yearly, each of whose veteran parent, at the time the benefits pursuant to this Part are sought to be availed of:
 - a. Is or was at the time of his death drawing pension for permanent and total disability, nonservice-connected, as rated by the United States Department of Veterans Affairs.
 - b. Is deceased and who does not fall within the provisions of any other eligibility class described in G.S. 143B-1226(1), (2), (3), (4)a., nor (5).
 - c. Served in a combat zone, or waters adjacent to a combat zone, or any other campaign, expedition, or engagement for which the United States Department of Defense authorizes a campaign badge or medal, who does not fall within the provisions of any other class described in G.S. 143B-1226(1), (2), (3), (4)a., or (5).

- (5) Class IV: Under this class a scholarship as defined in G.S. 143B-1225 shall be awarded to any child whose parent, while serving honorably as a member of the Armed Forces in active federal service during a period of war, as defined in G.S. 143B-1224(4), was listed by the United States government as (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power. (1967, c. 1060, s. 8; 1973, cc. 197, 577; c. 620, s. 9; 1975, c. 160, s. 2; c. 167, s. 1; 1977, c. 70, s. 27; 1989, c. 767, ss. 3, 4; 1991, c. 549, s. 2; 2002-126, s. 19.3(c); 2011-183, s. 116; 2015-241, ss. 24.1(c), (jj); 2015-268, s. 7.3(a).)

§ 143B-1227. Administration and funding.

(a) The administration of the scholarship program shall be vested in the Department of Military and Veterans Affairs, and the disbursing and accounting activities required shall be a responsibility of the Department of Military and Veterans Affairs. The Veterans' Affairs Commission shall determine the eligibility of applicants, select the scholarship recipients, establish the effective date of scholarships, and may suspend or revoke scholarships if the Veterans' Affairs Commission finds that the recipient does not comply with the registration requirements of the Selective Service System or does not maintain an adequate academic status, or if the recipient engages in riots, unlawful demonstrations, the seizure of educational buildings, or otherwise engages in disorderly conduct, breaches of the peace or unlawful assemblies. The Department of Military and Veterans Affairs shall maintain the primary and necessary records, and the Veterans' Affairs Commission shall promulgate such rules and regulations not inconsistent with the other provisions of this Part as it deems necessary for the orderly administration of the program. It may require of State or private educational institutions, as defined in this Part, such reports and other information as it may need to carry out the provisions of this Part. The Department of Military and Veterans Affairs shall disburse scholarship payments for recipients certified eligible by the Department of Military and Veterans Affairs upon certification of enrollment by the enrolling institution.

(b) Funds for the support of this program shall be appropriated to the Department of Military and Veterans Affairs as a reserve for payment of the allocable costs for room, board, tuition, and other charges, and shall be placed in a separate budget code from which disbursements shall be made. Funds to support the program shall be supported by receipts from the Escheat Fund, as provided by G.S. 116B-7, but those funds may be used only for worthy and needy residents of this State who are enrolled in public institutions of higher education of this State. In the event the said appropriation for any year is insufficient to pay the full amounts allocable under the provisions of this Part, such supplemental sums as may be necessary shall be allocated from the Contingency and Emergency Fund. The method of disbursing and accounting for funds allocated for payments under the provisions of this section shall be in accordance with those standards and procedures prescribed by the Director of the Budget, pursuant to the State Budget Act.

(c) Allowances for room and board in State educational institutions shall be at such rate as established by the Secretary of the Department of Military and Veterans Affairs.

(d) Scholarship recipients electing to attend a private educational institution shall be granted a monetary allowance for each term or other academic period attended under their respective scholarship awards. All recipients under Class I-B scholarship shall receive an allowance at one rate, irrespective of course or institution; all recipients under Classes I-A, II, III and IV shall receive a uniform allowance at a rate higher than for Class I-B, irrespective of course

or institution. The amount of said allowances shall be determined by the Director of the Budget and made known prior to the beginning of each fall quarter or semester; provided that the Director of the Budget may change the allowances at intermediate periods when in his judgment such changes are necessary. Disbursements by the State shall be to the private institution concerned, for credit to the account of each recipient attending said institution. The manner of payment to any private institution shall be as prescribed by the Department of Military and Veterans Affairs. The participation by any private institution in the program shall be subject to the applicable provisions of this Part and to examination by State auditors of the accounts of scholarship recipients attending or having attended private institutions. The Veterans' Affairs Commission may defer making an award or may suspend an award in any private institution which does not comply with the provisions of this Part relating to said institutions.

(e) Irrespective of other provisions of this Part, the Veterans' Affairs Commission may prescribe special procedures for adjusting the accounts of scholarship recipients who for reasons of illness, physical inability to attend class or for other valid reason satisfactory to the Veterans' Affairs Commission may withdraw from State or private educational institutions prior to the completion of the term, semester, quarter or other academic period being attended at the time of withdrawal. Such procedures may include, but shall not be limited to, paying the recipient the dollar value of his unused entitlements for the academic period being attended, with a corresponding deduction of this period from his remaining scholarship eligibility time. (1967, c. 1060, s. 8; 1969, c. 720, ss. 4, 5; c. 741, s. 4; 1971, c. 458; 1973, c. 620, s. 9; 1975, c. 19, s. 71; c. 160, s. 3; 1977, c. 70, s. 27; 1985, c. 39, s. 3; 2002-126, s. 19.3(d); 2003-284, s. 18.5(a); 2015-241, ss. 24.1(c), (kk); 2015-268, s. 7.3(a).)