



This Bill Analysis reflects the contents of the bill as it was presented in committee.

# HOUSE BILL 475: NC Patriot Star Family Scholarship/Funds.

2019-2020 General Assembly

<b>Committee:</b>	House Education - Universities. If favorable, re-refer to Appropriations, Education. If favorable, re-refer to Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	April 16, 2019
<b>Introduced by:</b>	Reps. Arp, Moore, Bell, Lewis	<b>Prepared by:</b>	Drupti Chauhan Committee Counsel
<b>Analysis of:</b>	PCS to First Edition H475-CSRQ-5		

**OVERVIEW:** House Bill 475 creates the North Carolina Patriot Star Family Scholarship Program to provide scholarships to eligible children and spouses of certain veterans and current members of the Armed Forces to attend postsecondary institutions.

*The Proposed Committee Substitute makes technical changes to the bill and adds a citation to allow the bill to be placed on the calendar for 2nd reading before the Current Operations Appropriations Act.*

**BILL ANALYSIS:** The Proposed Committee Substitute (PCS) for HB 475 creates the North Carolina Patriot Star Family Scholarship Program (Program) to provide scholarships to eligible children and spouses of certain veterans and current members of the Armed Forces to attend postsecondary institutions. The PCS appropriates \$500,000 in recurring funds for the 2019-2020 fiscal year to the Board of Governors of The University of North Carolina to then be provided as a grant to the Patriot Foundation for the purpose of establishing the Program.

The Patriot Foundation is responsible for oversight of the Program and ensuring compliance. The Patriot Foundation must also: establish criteria and procedures related to scholarship documentation completion, the amount of individual scholarships, permissible use of scholarship funds, the period of eligibility for award of a scholarship, the conditions for revocation of a scholarship, and any other procedures needed for the administration of the Program.

A scholarship award cannot exceed the cost of attendance at the eligible postsecondary institution and if an eligible individual receives another scholarship or other grant covering the cost of attendance at an eligible postsecondary institution, then the amount of the scholarship awarded through the Program must be reduced so that the sum of all monies received does not exceed the cost of attendance for the postsecondary institution.

The Patriot Foundation must submit an annual report by April 1 of each year in which the Patriot Foundation spends State funds made available through this act to the Joint Legislative Education Oversight Committee and the Fiscal Research Division.

An eligible child is defined as a person who meets all of the following:

- Is attending or has been accepted to enroll in an eligible postsecondary institution.
- Is a legal resident of the State when scholarship documentation is completed. If the child is a dependent of the parent, the child's residency may be established in the State if the parent is an active duty service member permanently stationed in the State at the time of documentation completion.
- Has complied with the requirements of the Selective Service System if applicable.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House PCS 475

Page 2

- Has a parent who is a veteran or a currently serving member of the Armed Forces and the parent meets the following:
  - Meets 1 of the following residency requirements:
    - Is a resident of the State at the time of the scholarship documentation completion.
    - Was a resident of the State at the time of entrance into service in the Armed Forces.
    - Was permanently stationed in the State at the time of his or her death.
    - Is an active duty service member permanently stationed in the State at the time of the scholarship documentation completion.
  - Meets 1 of the following service requirements:
    - Was a member of the Armed Forces who was killed in action or in the line of duty, or died of wounds or other causes not due to the person's willful misconduct during a period of war or national emergency.
    - Was a member of the Armed Forces who died of service-connected injuries, wounds, illness, or other causes incurred or aggravated while a member of the Armed Forces during a period of war or national emergency.
    - Is a veteran of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency and is receiving compensation for a wartime service-connected disability of at least 50% as rated by the US Department of Veterans Affairs.
    - Is a current member of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency.

An eligible spouse is defined as a person who meets all of the following:

- Is attending or has been accepted to enroll in an eligible postsecondary institution.
- Is a legal resident of the State when scholarship documentation is completed.
- Has complied with the requirements of the Selective Service System, if applicable.
- Whose spouse was a member of the Armed Forces who was killed in action or the line of duty, or died of wounds or other causes not due to the service member's willful misconduct during a period of war or national emergency.

An eligible postsecondary institution is any of the following:

- A constituent institution of The University of North Carolina.
- A community college in the North Carolina Community College System.
- A private educational institution that is an institution that is located in the State, is not for profit, and whose curriculum is primarily directed toward the awarding of associate, baccalaureate or graduate degrees.
- An accredited private vocational institution.

**BACKGROUND LAW:** G.S. 143C-5-2 provides that each chamber of the General Assembly must pass its version of the Current Appropriations Act on 3rd reading before placing any other appropriations bills on the calendar for 2nd reading unless certain exceptions apply such as appropriations bills responding to emergencies or making adjustments to the current year's budget.

**EFFECTIVE DATE:** The bill becomes July 1, 2019.