



2025-2026 General Assembly

SENATE BILL 118: Military and Veteran Support Act, Part VI: Children of Wartime Veterans Scholarship Funds Award Flexibility

Analysis of: S.L. 2025-72, Part VI

Date: July 31, 2025

Prepared by: Legislative Analysis
Division Staff

Part VI of S.L. 2025-72 (Senate Bill 118) makes the following changes to the administration of funds for the Scholarships for the Children of Wartime Veterans Program (Program) in the 2024-2025 and the 2025-2026 academic years:

- Allows the State Education Assistance Authority (SEAA), after consultation with the Secretary of the Department of Military and Veterans Affairs (Department), to fund scholarships with monies from the Escheat Fund for eligible children of wartime veterans who have not been identified by the Department under the Program.
- Requires the Secretary, after consulting with SEAA, to determine whether to prioritize the award of new applicants for the 2025-2026 academic year in Class I-A, I-B, and IV scholarships, prior to awarding Class II and III scholarships.
- Permits the Secretary, after consulting with SEAA, to determine whether to reduce the room and board allowance award for students attending a public institution and the maximum allowance award for students attending private institutions, prior to August 15, 2025. The determination must be based on the number of eligible students, including new and renewal students, that have applied for the 2025-2026 academic year.
- Allows SEAA to adjust and standardize award amounts for the 2025-2026 academic year, if funds available for the Program are insufficient to provide scholarships to all eligible students.
- Requires that all scholarship notifications include language that the scholarship award is contingent upon the availability of funds.
- Directs SEAA to disburse scholarship funds in accordance with the authority granted by the General Statutes.
- Allows SEAA to use an amount of up to 2.5% for the administration costs related to the Program from the total amount of funding appropriated to the Board of Governors of The University of North Carolina and allocated to SEAA in a fiscal year to support the award of scholarship funds under the Program. SEAA must place any unexpended and unencumbered appropriated funds remaining at the end of the 2024-2025 and 2025-2026 fiscal years into an institutional trust fund for the purposes of awarding scholarships and paying administration costs.

This Part became effective June 30, 2025, and applies to awards granted for the 2024-2025 and 2025-2026 academic years.

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578