

STATE LEGISLATION PRIORITY FOCUS FOR SHORT SESSION 2026

The State Legislation regular long session (2025) is essentially complete, with leadership meeting to deal with bill vetoes, budget or urgent efforts. Our focus turns towards the upcoming legislation session, a short session since it is an election year. Most of the matters considered prior to April 26, 2026, when the short session is scheduled to reconvene do not impact veterans directly, beyond state budget or similar resolutions. So, we turn our primary focus towards bills that will be reviewed and accessed during the short session as part of our short-term priorities while continuing to work longer term efforts. We also need to make sure our current priority list is still valid, adding or deleting any issues, depending on what has been passed by the general assembly, what has evolved or been highlighted by our member organizations.

Matters typically considered in a short session are budget related, and bills that made crossover or were not subject to crossover. Our Legislative committee reviewed the related veteran bills that made the crossover list and would like our member organizations to focus their short-term efforts as listed below. Please note that a Bill on the crossover list can be **TOTALLY SUBSTITUTED** or added to so we always review the list and may update accordingly. Usually, a bill is added to or slightly modified, but care must be taken to look at the bill edition, date and verbiage of any changes. It still makes sense to utilize the crossover list since the general assembly uses it to track its legislative efforts. We will notify if we see these types of revisions.

In the 2025 session, a continuing budget was passed by the governor on Sep. 30th as they continue to work through a comprehensive state budget. When SL 2025-92 (H358) was signed into law, there is one significant issue that needs our council's attention. There is a change to the North Carolina Scholarship for Children of Wartime Veterans. Over a two-year period, there is a significant deficient in that fund taken that could total up to \$22 Million from its current funding levels. Although no reductions are expected this fall, up to a 25% reduction across the board on scholarships is expected or possible. Not only is that reduction documented in the recently passed continuing budget, but a more significant issue is also included, taking the management of that scholarship program away from the Veteran's Commission's Department of Military and Veterans affairs and giving it to the State Education Assistance Authority. This move will consolidate it with all other educational scholarships and remove veterans from managing or supporting this scholarship, eliminating anyone making decisions knowledgeable of military nuances.

Transition of Administration: The program's administration will shift from the Department of Military and Veterans Affairs to the State Education Assistance Authority (SEAA) starting with the 2026-2027 academic year. The SEAA doesn't have any resident veteran or military knowledge or background to aid in those decisions.

Priorities:

- 1) To work with the Veteran's Commission and the Secretary of Military and Veteran's Affairs to secure appropriate levels of funding for the North Carolina Scholarship for Children of

Wartime Veterans (Wartime Scholarship) and return the program to Veteran Oversight and management. Our goal is to return the administration to its previous veteran oversight in the final budget.

2) Property tax relief has been a high priority to most of our associations and organizations in some form or another. There were several bills put forward by both the House and Senate but without agreement or consensus. The result was a single bill, H432 on the crossover list to determine best path forward, with the provision included, to be able to vote on in the short session. Our recommendation is to support this bill but rather than initiate a study as the bill states and have it gone nowhere, to request they utilize H341, which is a revised, resubmitted bill based on H118 (which couldn't get passed). It is the best compromise available and would help the most veterans, improving upon the current law. allowing them to remain in their homes and communities. This measure reduces economic hardship, honors military service and sacrifice, and demonstrates North Carolina's commitment to supporting veterans and their families long after service. It is an incremental improvement, with additional changes that could be made in future years. Property taxes should remain on our master issue list under long-term efforts.

3) This next priority has been on our master list but should remain highlighted. It has been very important particularly since Fayetteville's State Veterans Home was closed. State Veteran In- State Housing/Care Programs. It is under the Department of Military and Veteran Affairs and fits within their budget needs. The DMVA manages the State Veteran Home program within the state, but without much authority. Most specific needs must be asked for and directed by other state departments. The budget comes from the General Assembly through a trust that has been built but is now being used as a place to get money for grants or experiments or anything not necessarily for the State Veteran Home program. The State Administration contracts, State Engineers deal with the external structures, but the DMVA is overall manager. The process doesn't work well and there are multiple cracks in the seams as well as wasted funds. The Veteran State Home program is the one that seems to suffer the most. The State Cemetery Trust Fund gets funded out of the State Housing Trust Fund (even though the money comes from Medicare and the VA private medical insurance). So, there are issues that need to be fixed, but it seems to be used as a slush fund rather than using state appropriated funds. It would benefit the veterans if the selected Secretary were Veteran Affairs certified within the first year and they should not be allowed to be confirmed without that certification. There needs to be some type of qualification for the job besides being a veteran and a political appointee. Some of the issues we have noticed associated with our State Homes Program is the lack of cohesion of budget, management, program management, knowledge, maintenance, etc. There is a legal requirement for an annual strategic report, but it doesn't seem to be a priority, although that would be a road map forward. The council should be requesting that report be done and a copy provided electronically to all voting associations. It is supposed to be provided to the general assembly annually. Veteran State Homes Program Improvements: addressing the five state-managed homes, including the unexpected closure of

the Fayetteville home in 2023. Key areas include overarching management, funding decisions, Fayetteville home path forward, decisions for all 5 veteran homes and future homes within NC. This includes how the state trust fund money is authorized to be used (i.e. how can 10% be siphoned to the veteran's cemetery fund when the money has been provided by Medicare/VA/and paid for by those currently residing in the state home structure?). Private insurance, by those in the homes go into that fund and yet a law was passed to set aside 10% of the gross funds for veteran cemeteries. A research study is an exception to the crossover list and could be requested by the House Homeland Security and Military and Veterans Affairs Committee to determine the sources and legality of using that trust fund for anything other than its original intended use. It used to require the Veteran's Commission's approval for any funds to be used but that requirement has been written out of the Trust. We should be requesting that study be done and included in their research/study efforts. WNC Veterans Restoration Quarters (VRQ) Rebuild: DMVA SEC inspected with the NC the destroyed VRQ from Hurricane Helene and had it on his list for getting repaired/fixed. Hopefully Sec. Mallette, Esq., the new Sec will support the efforts that Sec Martin (previous DMVA Sec) had begun during his short tenure. Supporting the rebuilding efforts for the VRQ in Asheville, which was destroyed during Helene, displacing approximately 200 male homeless veterans. We hope this will be on the Department of Military Veteran Affairs' (DMVA) priorities list that will support veterans across the state. The mission of Veterans Restoration Quarters is to create a principle-based environment and comprehensive residential program that addresses every area of restoration in the life of a homeless veteran. It could be included in the disaster relief budget if brought up as an issue (DMVA, House HSMVA Committee). They haven't seemed to be very busy. All associations could be asking for this inclusion. What is happening with the Fayetteville Veteran State Home that has been closed since 2023? What is the plan and with what funds to repair or replace it? It is our largest Veteran home in the state and has no known path forward. The home that was programmed to be built in Raleigh with funds that were in the trust is permanently on hold with no path forward and we have no strategic plan from the DMVA as required by NC law. We need each association to ask questions of their representatives, and the council to be asking what the DMVA is doing on the subject.

4) This issue we consider an embarrassment here in NC. Does NC consider it a veteran friendly state or not? It is estimated that The Department of War contributes over \$79.7 Billion to NC's economy, making it, (according to google) the second largest economic sector and represents approximately 12.8% of the state's GDP. We are estimated to be the fourth highest number of uniformed military personnel in the US with 6 major military bases, and compo 2, 3 facilities. With all, the only buildings that fly the POW/MIA Flag and recognize what military and veterans have contributed for the last almost 250 years are on federal buildings or property. Where is the State's recognition of that sacrifice and the importance of the freedoms provided by service members Advance H288 POW/MIA Flag/State Bldgs. & Schools and ask why it is a requirement on our country's 250th Birthday on state buildings.

5) This priority may not be a short-session priority but should be included on the long-term list of issues. With the changes made by the federal government there seems to be new critical gaps in research and supporting efforts for service-connected exposure highlighted by the Pact Act passage. There are study and research grants available if supported by the House Homeland Security Military and Veteran Affairs Committee that would not require inclusion on the crossover list. A study of what is needed, maybe including new insights discovered from Hurricane Helene's disaster (toxic exposures uncovered) that could light a fire for discovering the gaps between state and federal efforts on toxic exposures. With 6 majors installations and a coastline, and contaminated water already found in NC (USMC related) there should be interest around the state and with all associations. Expand support and resources for veterans and dependents affected by toxic exposure. Strengthen state-level programs to address the long-term health impacts of toxic exposure (such as burn pits, Agent Orange, and contaminated water). Ensure that dependents also have access to screenings, healthcare resources, and financial relief when impacted by a veteran's service-connected exposure. Reward/Impact: By addressing toxic exposure comprehensively, North Carolina can close critical gaps in care, reduce long-term health costs, and honor its obligation to veterans and their families. This investment saves lives, supports dependents who often bear hidden burdens, and demonstrates leadership in safeguarding the health of future generations. This is a state/federal responsibility and need.

6) Rumor seems to focus this effort more on federal judge personalities/impacts rather than being hampered by state legislation, but it needs to be on our master long term list. The establishment of Veterans Treatment Courts in ALL North Carolina counties and jurisdictions, coupled with increased funding to adequately support Veterans Suicide Prevention programs at the local community level. 2) The establishment of Veterans Treatment Courts in ALL North Carolina counties and jurisdictions, coupled with increased funding to adequately support Veterans Suicide Prevention programs at the local community level. It seems that if one local federal judge doesn't want to approve the effort, that court or county is not able to proceed, even if the county is willing. More information and more local knowledge of individual county issues need to be known. So, this is more of a local research effort than a legislative path forward currently. If anyone is knowledgeable and could write a short paper (1-2 page) or present a short presentation please provide your name, etc. to our commander.

Reward/Impact: This ensures that every veteran across the state has equal access to justice, rehabilitation, and lifesaving resources. By expanding treatment courts and suicide prevention funding, North Carolina will reduce recidivism, save taxpayer dollars, strengthen families, and most importantly—save veterans' lives.