

Important Note:

Session Law 2025-34 (Senate Bill 124) became law on July 1, 2025. This session law amends the North Carolina Human Resources Act in several ways. The changes in Session Law 2025-34 will result in changes to this policy, because the bill changes the substance of some of the laws that are interpreted in this policy. The changes in Session Law 2025-34 provide more flexibility to state employees and employers, especially in the hiring process.

As a result, this policy will be amended at upcoming State Human Resources Commission meetings in 2025. Until the policy is amended, follow the statute, not this policy, if anything in the statute contradicts this policy.

If you have any questions, contact Wesley Davis, OSHR Legislative Director, at (984) 236-0806 or Wesley.Davis@nc.gov.

Effective: February 15, 2024

Veteran's & National Guard Preference Policy

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§ 1. Statutory Authority

The North Carolina Human Resources Act requires the State Human Resources Commission provide employment preference for state positions subject to G.S. 126 to veterans who served in the Armed Forces of the United States as defined in G.S. 126-81(1-3) and to eligible members of the National Guard as defined in G.S. 126-81(4).¹

The preference to be accorded eligible veterans and National Guard members shall apply in initial employment, subsequent employment, promotions, reassignments, horizontal transfers, and reduction-in-force situations.

¹ This policy applies only to positions subject to the State Human Resources Act. However, note that similar preferences are provided under G.S. 126-83 and 128-15 for certain positions exempt from the State Human Resources Act.

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§ 2. Who is eligible?

1. "Veteran" means a person who served in the Armed Forces of the United States on active duty, for reasons other than training, and was discharged under other than dishonorable conditions.

"Eligible veteran" means:

- a) a veteran who served during a period of war;
- b) the spouse of a disabled veteran;
- c) the surviving spouse or dependent of a veteran who dies on active duty during a period of war either directly or indirectly because of such service;
- d) a veteran who suffered a connected disability during peacetime;
- e) the spouse of a veteran described in sub-division d. of this subsection;
- f) the surviving spouse or dependent of a person who served in the Armed Forces of the United States on active duty, for reasons other than training, who died for service-related reasons during peacetime.

2. Eligible member of the National Guard means:

- a) A resident of North Carolina who is a current member in good standing of either the North Carolina Army National Guard or the North Carolina Air National Guard;
 - b) A resident of North Carolina who is a former member of either the North Carolina Army National Guard or the North Carolina Air National Guard, who discharge is under honorable conditions with a minimum of six years of creditable service;
 - c) the surviving spouse and dependent of a member of the North Carolina Army National Guard or the North Carolina Air National Guard who dies on State active duty either directly or indirectly as a result of that service;
 - d) the surviving spouse or dependent of a member of the North Carolina National Guard who died for service-related reasons during peacetime.
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§ 3. What periods of war are included for Veterans Preference?

- December 7, 1941 through May 15, 1975
- June 6, 1983 through December 1, 1987
- December 20, 1989 through January 31, 1990
- August 2, 1990 through The date approved by Congress or the President as the ending date for hostilities for the War on Terrorism; or any other campaign, expedition, or engagement for which a campaign badge or medal is authorized by the United States Department of Defense.

§ 4. How to Claim Veteran's Preference or National Guard Preference

To claim veteran's preference, all eligible persons shall submit a DD Form 214, Certificate of Release or Discharge from Active Duty, along with a State Application for Employment (in the Applicant Tracking System or by paper Form PD-107-2022) to the appointing authority. The agency shall verify eligibility.

To claim National Guard preference, current members of the National Guard who are in good standing of either the NC Army National Guard or NC Air National Guard shall submit a copy of the NGB 23A (RPAS), along with a State Application for Employment (in the Applicant Tracking System or by paper form, PD 107-2022). Former members of either the NC Army National Guard or the NC Air National Guard, with honorable discharge and six years of creditable service shall submit a copy of the DD 256 or NGB 22, along with a State Application for Employment (in the Applicant Tracking System or paper form, PD 107-2022). The agency shall verify eligibility.

§ 5. Minimum Qualifications

To claim veteran's preference or National Guard preference, eligible veterans or National Guard members must meet the minimum training, education and experience

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requirements for the position for which applied and must be capable of performing the duties assigned to the position.

In evaluating qualifications, credit shall be given on a year for year, and month for month basis, for all military service training or schooling and experience which bears a reasonable functional relationship to the knowledge, skills, and abilities required for the position.

In determining minimum education and experience, related civilian experience should be evaluated prior to evaluating related military experience to give the veteran or National Guard member maximum credit for unrelated military service.

§ 6. Determining and Applying Credit

Veteran's preference or National Guard preference shall be accorded eligible veterans and National Guard members by giving credit as follows:

(1) Credit for numerically scored examinations:

In initial employment, subsequent employment, promotion, reassignment, and horizontal transfer procedures, where numerically scored examinations are used in determining the relative ranking of candidates, ten (10) preference points shall be awarded to eligible veterans.²

(2) Credit for unrelated military service:

In initial employment, subsequent employment, promotion, reassignment and horizontal transfer procedures where structured interview, assessment center, in-basket, or any other procedure, not numerically scored, is used to qualitatively assess the relative ranking of candidates, the eligible veteran or National Guard member who has met

² If an agency uses numerically scored tests or exams during the selection process to rank applicants to determine who is referred or interviewed, 10 additional points shall be added to the final score of the numerically scored test or exam for eligible veterans and National Guard members. The 10 preference points are applied only to the part of the scoring that is from "numerically scored examinations." For example, if there were a three-part process where 25% of an applicant's score was based on a numerically scored examination, 25% of an applicant's score was based on review of sample work performed in an in-basket exercise, and 50% of the applicant's score was based on a structured interview, the 10 preference points apply only to the portion of the applicant's score that was based on a numerically scored examination, not to the final ranking of the candidates.

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the minimum qualification requirements and who has less than four years of related military experience beyond that necessary to minimally qualify, shall also receive additional experience credit for up to four years of unrelated military service.

(Exception: Eligible spouses and dependents shall not receive additional experience credit for the veteran's unrelated military service.)

To determine the amount of additional experience credit to be granted for unrelated military service, first determine the amount of related military service possessed by the eligible veteran or National Guard member beyond that required to meet the minimum qualifications and:

- if the total of such experience equals or exceeds four years, the additional credit for unrelated military service does not apply, but
- if the total of such experience is less than four years, the veteran or National Guard member shall receive direct experience credit for unrelated military service in an amount not to exceed the difference between the related military service and the 4 year maximum credit that may be granted.

§ 6.1. Applying the credit throughout the selection process

After determining the appropriate amount of preference points and/or military service credit to be awarded to the veteran or National Guard member, when assessing the applicants, the veteran or National Guard member should be assessed relative to other applicants but always using their score, ranking, or total experience that includes that military service credit.

§ 6.2. Examples

Example A: An eligible veteran or National Guard member has 2 years of related military experience beyond the minimum. The veteran or National Guard member also has 6 years of unrelated military service. Since the related military service beyond the minimum is less than 4 years, the eligible veteran or National Guard member receives 2 years credit for unrelated military service. [4 yrs. (maximum possible unrelated service credit) less 2 yrs. (related military service held by the applicant beyond that necessary for

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minimum qualification) = 2 yrs. (amount of the six years of unrelated service which can be credited)].

Example B: An eligible veteran or National Guard member has only enough related military service to qualify for the minimum, but has 2 years, 3 months of unrelated military service. This person will receive 2-years, 3 months experience credit. [4 yrs. (maximum possible unrelated service credit) less 0 (related military service beyond that necessary for minimum qualification) = 4 yrs. (4 yrs. could be credited for unrelated military service, however, the person in this instance can only claim 2 yrs., 3 mos., the actual amount of unrelated military service)].

§ 6.3. Reduction in Force

In reduction-in-force situations, when calculating length of service, the eligible veteran or National Guard member shall be accorded one year of state service for each year or fraction thereof of military service, up to a maximum of five (5) years credit. (This additional credit is not counted as total state service.)

§ 7. Applying the Preference During Final Selection for Eligible Veterans or National Guard Members from Outside the State Government Structure

This preference is not for current State employees who are seeking promotion, reassignment, or horizontal transfer. For initial employment or subsequent employment, after applying the military service credit to eligible veterans or National Guard members, the eligible veteran or National Guard member shall be hired when overall qualifications are substantially equal to the non-veterans or non-National Guard members in the most qualified applicant pool unless there are State employees with a priority as described under "Relationship to Other Priorities" below. Substantially equal qualifications occur when the employing agency cannot make a reasonable determination that the qualifications held by one or more applicants are significantly better suited for the position than the qualifications held by another applicant. Veterans'/National Guard preference, at the final selection stage, applies only to candidates from outside the State government structure with substantially equal qualifications who are among the most qualified candidates under G.S. 126-14.2(2).

For promotion, reassignment, and horizontal transfer, after applying the credit in

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Section 6 of this policy to veterans or National Guard members eligible veteran or National Guard member who is a current State employee receives no further preferences and competes with all other applicants who have substantially equal qualifications.

§ 8. Relationship to Other Priorities

If the selection decision is between a qualified non-State employee veteran or National Guard member and a substantially equivalent applicant with a priority described below, the applicant with the priority described below shall be selected:

- a qualified current State employee with career status who is seeking a promotional opportunity,
 - a qualified employee separated from an exempt policy-making or exempt managerial position for reasons other than just cause,
 - a qualified State employee with career status who is notified of or separated by reduction in force, or
 - an employee returning from workers' compensation leave.
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§ 9. Appeals

Any claim or allegation that preference has not been accorded to an eligible veteran or National Guard member shall follow the agency grievance procedure.

§ 10. Sources of Authority

This policy is issued under any and all of the following sources of authority:

[N.C.G.S. § 126-4\(4\)](#) which authorizes the State Human Resources Commission to establish "[r]ecruitment programs designed to promote public employment, communicate current hiring activities within State government, and attract a sufficient flow of internal and external applicants; and determine the relative fitness of applicants for the respective positions."

[N.C.G.S. § 126-80 to 83](#)

[N.C.G.S. § 128-15](#)

[25 NCAC 01H .1100](#)

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§ 11. History of This Policy

Date	Version
March 1, 2007	First version/Clarified that eligible spouses and dependents shall not receive additional experience credit for the veteran's unrelated military service. The preference to be given is that the qualified spouse or dependent shall be hired when the spouse or dependent's overall qualifications are substantially equal to the non veterans in the applicant pool. Such preference may be claimed without regard to whether such preference has been claimed previously by the veteran.
July 27, 2007	House Bill 1412 was enacted by the 2007 General Assembly to enhance the preference accorded veterans. The current rule grants such preference in initial employment. The legislations extends this preference to other employment events including subsequent employment, promotions, reassignments, and horizontal transfers
August 1, 2009	In the first paragraph, replaces commas with parentheses around "for reasons other than training" in order to clarify the situations for which preference is granted.
December 1, 2013	HB834 was ratified to change the appeal rights of State employees; therefore, the appeals section is being changed to reflect that claims of the denial of veterans' preference must go through the agency grievance procedures.
October 1, 2020	Policy reviewed by the Recruitment Division to confirm alignment with current practices and by the Legal, Commission, and Policy Division to confirm alignment with statutory, rule(s), and other policies. No substantive changes. Reported to SHRC on October 1, 2020. General editorial changes to text, grammar, and language. All changes were minor wording and format changes for clarification.
March 3, 2022	Align current Veterans Preference Policy with statutory changes made during 2021 adding the National Guard.

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February 15, 2024	<p>Revised policy to provide clarity and consistency with the North Carolina Administrative Code including:</p> <ul style="list-style-type: none">• Adding a footnote to explain how the credit for numerically scored interviews should be applied.• Reformatting Section 6 to include multiple sub-sections,<ul style="list-style-type: none">○ Creating a Section 6.1 that explains how the interview or service credit should be applied through the hiring process; and○ Moving the Examples to Section 6.2 and removed the gray box; and○ Creating a Section 6.3 with a sub-heading for Reduction in Force.• Revising the title of Section 7 from “Applying the Preference” to “Applying the Preference During Final Selection for Eligible Veterans or National Guard Members from Outside the State Government Structure” and adding language to Section 7 that clarified the final selection priority only applies to applicants outside the state government structure and that it does not apply to current state employees seeking a promotion, transfer or reassignment. Employees seeking a promotion, transfer or reassignment receive no further preference after application of that detailed in Section 6 of the policy. <p>Added as Sources of Authority section and added NCGS 126-80 to 83 as a source of authority.</p>
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