

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL 231
Commerce and Insurance Committee Substitute Adopted 3/27/19

Short Title: Study Military Economic Zones.

(Public)

Sponsors:

Referred to:

March 13, 2019

A BILL TO BE ENTITLED

1 AN ACT TO DIRECT THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
2 AND THE DEPARTMENT OF COMMERCE TO STUDY THE CREATION OF
3 ECONOMIC ZONES AROUND COMMUNITIES THAT HOST MILITARY
4 INSTALLATIONS AND DEPARTMENT OF VETERANS AFFAIRS HOSPITALS THAT
5 ARE LOCATED MORE THAN 150 MILES FROM MILITARY INSTALLATIONS IN
6 THIS STATE.
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8 Whereas, North Carolina has a proud tradition of mutually beneficial cooperation
9 with the military; and

10 Whereas, North Carolina has the fourth-largest population of military personnel of
11 any state; and

12 Whereas, the military accounts for over a half million jobs, \$66 billion in gross State
13 product, and represents 10% of the overall economy of this State; and

14 Whereas, North Carolina is home to many military installations; and

15 Whereas, some of those installations may be vulnerable to closure as part of the
16 federal Base Realignment and Closure initiative; and

17 Whereas, a failure to adequately strengthen and protect the military in this State would
18 make military installations in the State vulnerable to closure under the federal Base Realignment
19 and Closure initiative; and

20 Whereas, a strong economy benefits both the military installations in this State and
21 the communities that surround and support those installations; and

22 Whereas, the people of this State recognize the interdependence of the military and
23 the communities that surround and support its operations; and

24 Whereas, it is in the best interest of the State to support the economic growth of the
25 communities that surround and support our military installations; and

26 Whereas, the economic growth and success of one community in this State benefits
27 us all; and

28 Whereas, this State has developed strategies to foster economic growth in targeted
29 areas by categorizing those areas within distinct zones; and

30 Whereas, the use of economic prosperity zones has strengthened and bolstered the
31 communities of our State to the benefit of all of its citizens; and

32 Whereas, this State must use its resources to determine similar ways to strengthen and
33 bolster the economic growth of the communities that surround and support our military
34 installations; and



1 Whereas, strong supporting communities are invaluable to the military institutions in
2 our State and benefit the military as a whole and its continuing operations throughout the nation;
3 Now, therefore,

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The Department of Military and Veterans Affairs, in collaboration with
6 the Department of Commerce, shall study the creation of military economic zones around
7 communities that host the military installations in this State. The study shall consider at least all
8 of the following:

- 9 (1) The feasibility of creating economic zones in and around both of the
10 following:
 - 11 a. Communities that host and support the military installations in this
12 State.
 - 13 b. Department of Veterans Affairs Hospitals that are located more than
14 150 miles from military installations in this State.
- 15 (2) Methods of incorporating existing economic development programs,
16 including Collaboration for Prosperity Zones, into prospective military
17 economic zones.
- 18 (3) Opportunities to leverage the unique and valuable characteristics of the
19 regions and communities that support our military installations.
- 20 (4) Ways to create synergies among the duties and missions of the various
21 Department of Commerce entities that specialize in economic development,
22 such as the Rural Infrastructure Authority, Rural Economic Development
23 Division, and the NC Main Street and Rural Planning Center, as well as the
24 North Carolina Military Affairs Commission.
- 25 (5) The criteria used for previous recommendations for closures of military
26 installations by the Base Realignment and Closure (BRAC) Commission and
27 the extent to which economic development initiatives can bolster the
28 efficiency and effectiveness of the military installations in this State in
29 advance of future BRAC recommendations.
- 30 (6) Best practices from other states for economic development for communities
31 hosting military installations.

32 **SECTION 2.** The Department of Military and Veterans Affairs shall report the
33 findings of the study and any legislative recommendations to the Joint Legislative Oversight
34 Committee on General Government and the Fiscal Research Division on or before January 1,
35 2020.

36 **SECTION 3.** This act is effective when it becomes law.