

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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**SENATE BILL 231
Commerce and Insurance Committee Substitute Adopted 3/27/19
PROPOSED HOUSE COMMITTEE SUBSTITUTE S231-PCS35307-BB-24**

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 COMMERCE TO STUDY THE CREATION
2 OF ECONOMIC ZONES AROUND COMMUNITIES THAT HOST MILITARY
3 INSTALLATIONS AND DEPARTMENT OF VETERANS AFFAIRS HOSPITALS THAT
4 ARE LOCATED MORE THAN ONE HUNDRED FIFTY MILES FROM MILITARY
5 INSTALLATIONS IN THIS STATE.
6

7 Whereas, North Carolina has a proud tradition of mutually beneficial cooperation
8 with the military; and

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

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

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

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

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

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

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

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

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

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

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

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



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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 Commerce shall study the creation of military
6 economic zones around communities that host the military installations in this State. In
7 conducting the study, the Department of Commerce may consult with the Department of Military
8 and Veterans Affairs. The study shall consider at least all 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 Commerce shall report the findings of the study
33 and any legislative recommendations to the Joint Legislative Oversight Committee on General
34 Government and the Fiscal Research Division on or before January 1, 2020.

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