

2011-2012

**MILITARY AFFAIRS
HOUSE SELECT
COMMITTEE**

MINUTES



Office of Speaker Thom Tillis
North Carolina House of Representatives
Raleigh, North Carolina 27601-1096

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS.

*Revised

TO THE HONORABLE MEMBERS OF THE
NORTH CAROLINA HOUSE OF REPRESENTATIVES

Section 1. The House Select Committee on Military Affairs (hereinafter "Committee") is established by the Speaker of the House of Representatives pursuant to G.S. 120-19.6(a1) and Rule 26 of the Rules of the House of Representatives of the 2011 General Assembly.

Section 2. The Committee consists of the 9 members listed below, appointed by the Speaker of the House of Representatives. Members serve at the pleasure of the Speaker of the House of Representatives. The Speaker of the House of Representatives may dissolve the Committee at any time.

Representative Bill Cook, Co-Chair
Representative Phil Shepard, Co-Chair
Representative Ric Killian
Representative George Cleveland
Representative Craig Horn
Representative John Torbett
Representative Larry Bell
Representative Diane Parfitt
Representative Grier Martin
Representative Norman Sanderson

Section 3. The Committee may examine any issues related to supporting and strengthening the military's presence in North Carolina, including military-related industries, as well as ways the State can support individual servicemen and their families.

Section 4. The Committee shall meet upon the call of its Co-Chairs. A quorum of the Committee shall be a majority of its members.

Section 5. The Committee, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and Article 5A of Chapter 120 of the General Statutes.

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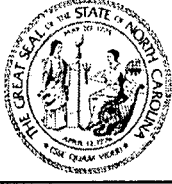
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Effective this the 15th day of September, 2011.



Thom Tillis
Speaker



NORTH CAROLINA GENERAL ASSEMBLY
Legislative Services Office

George R. Hall, Legislative Services Officer

Research Division
300 N. Salisbury Street, Suite 545
Raleigh, NC 27603-5925
Tel. 919-733-2578 Fax 919-715-5460

O. Walker Reagan
Director

October 18, 2011

The Honorable Phillip Shepard, Co-Chair
House Select Committee on Military Affairs
North Carolina House of Representatives
300 North Salisbury Street, Room 301H
Raleigh, NC 27603-5925

Dear Representative Shepard,

Congratulations on your designation as Co-Chair of the House Select Committee on Military Affairs.

I have asked Ms. Sara Kamprath, and Mr. Hal Pell, with the Research Division; and Mr. Douglas Holbrook, Ms. Kristine Leggett, and Mr. John Poteat, with the Fiscal Research Division, to serve as staff to this Committee. In accordance with the Committee's directions as expressed through the Co-Chairs, they will aid in all aspects of the Committee's work, and will attend the meetings of the Committee when it convenes upon the call of the Co-Chairs. Please note that all these individuals also will be responsible for staffing other study committees and commissions during the Interim.

Should you wish to contact Ms. Kamprath and Mr. Pell, they may be reached by telephone at (919) 733-2578. Mr. Holbrook, Ms. Leggett, and Mr. Poteat may be reached at (919) 733-4910.

My best wishes to you and the Committee in its work. If I may be of any service to you or the Committee, please contact me.

Yours truly,

A handwritten signature in cursive script that reads "O. Walker Reagan".

O. Walker Reagan
Director of Research

OWR/tmp

cc: Hon. Thom Tillis, Speaker
Hon. Bill Cook, Co-Chair
Mr. George Hall
Mr. Mark Trogdon
Ms. Nicole McGuinness
Ms. Sarah Wolfe

Ms. Sara Kamprath
Mr. Hal Pell
Mr. Douglas Holbrook
Ms. Kristine Leggett
Mr. John Poteat
Ms. Becky Cook
Mr. Brian Peck



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Effective this the 15th day of September, 2011.



Thom Tillis
Speaker

House Select Committee on Military Affairs
Membership List

Representative Bill Cook, Co-Chair
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Representative Grier Martin
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(919) 781-8218

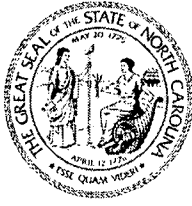
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919 733-4910



NORTH CAROLINA GENERAL ASSEMBLY
Raleigh, North Carolina 27601

September 21, 2011

MEMORANDUM

TO: Members of the House Select Committee on Military Affairs
FROM: Representative Phil Shepard, Co-Chair
Representative Bill Cook, Co-Chair
SUBJECT: House Select Committee on Military Affairs

DAY	DATE	TIME	ROOM
Thursday	September 29, 2011	1:00 p.m.	415 of the Legislative Office Building

Parking for non-legislative members of the committee/commission is available in the visitor parking deck #75 located on Salisbury Street across from the Legislative Office Building. Parking is also available in the parking lot across Jones Street from the State Library/Archives. You can view a map of downtown by visiting <http://www.ncleg.net/graphics/downtownmap.pdf>.

If you are unable to attend or have any questions concerning this meeting, please contact Pam Pate, Committee Clerk, at 919 715-9644 or email shepardla@ncleg.net.

PS/pp

Posted 21-Sept- 11

cc: Committee Record X
Interested Parties X



HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

AGENDA

Thursday, September 29, 2011)
Room 415, Legislative Office Building
1:00 PM

WELCOME AND INTRODUCTION

Rep. Bill Cook, Co-Chair
Rep. Phil Shepard, Co-Chair

- **North Carolina National Guard**
-- Thomas Bowlin, NCNG Office of Legislative Affairs
- **State Veterans Affairs Office**
-- Tim Wipperman, Assistant Secretary for Veterans Affairs
NC Department of Administration
- **N.C. Military Business Center**
-- Scott Dorney, Executive Director

Committee Discussion

Instructions to Staff

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

9/29/11

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

FRANK SPANGL DEPARTMENT ADJUTANT	THE AMERICAN LEGION POB 26657 RALEIGH NC 27611
LARRY ROZIER DEPARTMENT HISTORIAN	" " " "
BOB LEE DEPARTMENT COMMANDER	" " " "
BONNIE LEE AUXILIARY LEGISLATIVE CHAIRMAN	THE AMERICAN LEGION AUXILIARY
John W TURNER Executive Director	VLCNC-Cores PO BOX 37087 Raleigh NC 27627
Christy Agnew	DOA
Elzee V. Smith	" "
Tim Wipperman	" NCD VA
Thomas C. Caves, Jr.	NC Dept. of Crime Control & Public Safety
Emily M. Dickens	Fayetteville State University 1200 Murchison Rd, Fayetteville NC 28301
PAUL M. FRIDAY	MCIEAST, Camp Lejeune NC

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

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NAME

FIRM OR AGENCY AND ADDRESS

James Norment	NC Commission on Military Affairs
Lee Hodge	Ward and Smith, P.A.
Lisa Nolen	NOACC
BENNIE MAUNION	Cde American Legion Post 157 Raleigh, NC
Millie D. VEASEY	Adjutant, American Legion Post 157, Raleigh, NC
DARRELL L. THACKER, JR	COLONEL, USMC / GS MCE EAST
ROBERT G. VAN OOSTROM	SERGEANT MAJOR (USMC) MCEAST
Courtney Smedley	NC Military Business Center
SCOTT DERNEY	NC MILITARY BUSINESS CENTER
Joe Ramirez	CAMP LEJEUNE / Marine Corps Air Station NETZ River
TOM BOWLIN	NC NG

MINUTES

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

Thursday, September, 29, 2011

1:00 p.m.

Room 415, Legislative Office Building

The House Select Committee on Military Affairs met on Thursday, September 29, 2001, at 1:00 p.m. in Room 415 of the Legislative Office Building. Representatives Cook, Shepard, Bell, Horn, Parfitt, Torbett, and Sanderson attended.

Representative Shepard presided. He welcomed the committee members, speakers, and guests and reviewed the agenda and noted that they looked forward to hearing from all of the speakers. He asked the members to stand and introduce themselves and say what counties they represent. He requested that all speakers give their name and what entity they are with so it could be recorded on the record. Representative Bell was not present at the time, but the other committee members introduced themselves. Chairman Shepard then introduced the guests and asked if they would share a few words with the committee, even if it was not in the form of a formal presentation. If they didn't have any comments, Chairman Shepard said that was fine as the committee was simply glad to have the guests with the committee for the day.

PRESENTATIONS

Brigadier General Gorry from Camp Lejeune

Brigadier General Thomas A. Gorry, commanding General of Marine Corps Installations East, of Camp Lejeune was introduced and asked if he would like to say a few words. Brigadier General Gorry thanked the assembly for supporting the military. North Carolina is one of the most military friendly states in the United States. He spent eleven of the past twelve years overseas and is very glad to be home. His family is rooted in North Carolina and his children attended schools in the state. He is thrilled at his current opportunity to serve as Installations Commander where they provide direct support for the Operations side. He emphasized his thanks for the assembly supporting both those in the military as well as the entire family, and he noted that he looks forward to working with the Committee and the General Assembly in the upcoming years.

United States Coast Guard

Captain Anthony Popiel, Sector Commander and Captain of the Port, of the United States Coast Guard was introduced and asked if he would like to speak to the committee. His PowerPoint presentation is included as 09/29/2011 Attachment 3. He agreed with Brigadier General Gorry that North Carolina is one of the most military friendly states.

Captain Popiel's remarks led into his colleague's, Captain Donald Culkin of the Aviation Logistic Center, remarks to whom Captain Popiel gave the floor. His PowerPoint is included in Captain Popiel's.

About 2,300 people are working on the base and they are very tied into their community. He himself works in the Chamber. His unit represents and supports multiple units including the Navy, Customs, Air Force, and thus provides support and help worldwide. They train a lot of people in rescue. Among the things they monitor are icebergs, an activity founded after the Titanic catastrophe. With that, and other activities such as oil spill clean-up, they provide national and even international support. They are glad to be a support team and they have a great relationship with the other military branches. Support from the General Assembly is greatly appreciated.

Representative Bell introduces himself since he came in during these first presentations.

Fayetteville Technical College

Dr. Larry Keen, president of Fayetteville Technical College, was introduced and asked if he had remarks to share with the committee. Dr. King thanked the members for their service. Notes that Ft. Bragg is the President's 911 service because of their rapid response. 188 countries in the world and most of these countries are influenced by soldiers serving from Ft. Bragg, especially now that there is the Air Borne team flying troops to and from Afghanistan, Iran, etc. He said it is a privilege to know these heroes as neighbors. Soon Ft. Bragg will be the largest military base and Fayetteville Tech works with the base and Fayetteville University to serve these men and women. Currently, Fayetteville Tech is serving approximately 4,800 soldiers, excluding the family members they serve.

Chairman Shepard thanked the staff and guests for attending the committee meeting.

Chairman Shepard thanked guests, staff, and sergeant-at-arms for everything they did to make the meeting happen. He noted that it was warm in the room and asked if it could be cooled down a little. Chairman Shepard then asked Mr. Hal Pell of the Research Division to review two Attachments 1 and 2, included in the member's folders.

North Carolina National Guard

Colonel Keith Pearce, of the North Carolina National Guard Strategic Plans Office, is introduced and asked to speak; he is speaking in Major General Greg Lusk's stead. He introduces Thomas Boylan, Director of Legislative Affairs and Thomas Caves from Crime Control and Public Safety. His PowerPoint attachment is included as 09/29/2011 Attachment 4.

Representative Torbett asked if they had any chemical release for firefighting. Colonel Pearce said yes and our respond nationally. If you ever see Tail number 7 or 8 those are always ours.

Chairman Shepard notes that he and Representative Horn wanted to recognize Representative Ric Killian's absence as he is serving in Afghanistan.

Representative Horn asks if the National Guard provides assistance to families and support for being deployed. Colonel Pearce replied that they do. He noted that behavioral health has really taken off recently and that they provide various ways to assist families. Representative Horn said he would like to talk with someone about this topic as he has some concerns and ideas. Colonel Pearce said they would be happy to have that discussion with him.

Chairman Shepard notes that the North Carolina Academy is the same that came worked with the Tarheel Challenge. Representative Bell was a county commissioner when that was formed, and he was thanked for his work on helping get that important program going.

North Carolina Division of Veteran Affairs

Timothy Wipperman, Assistant Secretary for veterans Affairs, was asked if he had anything he would like to tell the committee. He thanked the committee and the military for their service. His PowerPoint is included as 09/29/2011 Attachment 6.

Representative Parfitt said she was a nurse, and couldn't help but notice the staff to patient ratio difference between the old and new Nursing Homes. The new Nursing Homes have a 2:1 ratio while the old ones had a 1.6:1 or 1.8:1 ratio. Why is this? Mr. Wipperman replied saying they are required to go by a neighborhood concept in the new nursing homes, which necessitated this kind of ratio.

Chairman Cook asked Mr. Wipperman if he had a feel for how many 100% disabled North Carolina veterans there are. Mr. Wipperman said he had no idea, but could find out for him. Chairman Cook asked him to.

Chairman Shepard asked Mr. Wipperman to come back and speak again as he was sure they all had more questions to ask him. Mr. Wipperman said he would be glad to, and asked the committee to coordinate that with Kristy.

North Carolina Military Business Center

Scott Dorney, Executive Director of the North Carolina Military Business Center, was asked if he would speak to the committee. He thanked the committee members for their service and gave them a folder of information, which included his PowerPoint presentation. All of this information is included as 09/29/2011 Attachment 7.

Representative Horn said he had a question for Captain Popiel. Port security is a growing issue and he is curious about the Coast Guard, the military, our own state service – what are we doing that we don't need to, what aren't we doing that we need to? The river is in pretty good shape, answered Captain Popiel. We have about 16 million in port grants and we're looking at surveillance material with that money. We have maritime security when needed. Overall we are doing well. We have plans and regular cycles we do, and standard to meet every day, and additional standards to meet depending on the threat level.

Representative Horn then asked if the drug activity was increasing or decreasing. No major busts in North Carolina usually, he was answered, usually that gets indicted coming in through the Caribbean. Representative Horn was glad to hear this and asked if we have a sufficient effort, personnel, and money. The answer to all of them was yes.

Chairman Cook commented that he went sailing after he quit his real job and kept thinking about how isolated it is out at sea and how isolated it is and that there are so many places people will ill intent could do mischief. He asked if there was any way he could be made to feel better about this. Captain Popiel said they do their best, and that small boats pose the most difficult challenge. Chairman Cook said he didn't know how anyone could track every little boat, but posed the possibility of electronics.

Captain Popiel said that the strategic ports have equipment. Chairman Cook laughed and said he remembers. He recounted one time he was sailing off Florida's coast.

Representative Torbett asked General Gorry, based on the academics of his children, what direction his wife leaned. General Gorry emphasized the need of spousal and academic support the military provides. The military is always looking to this. His wife graduated from Appalachian State and is certified to teach and is working in early childhood development. Chairman Shepard notes that the General Assembly passed a bill to grandfather in military and their spouses into jobs they hold certification for from other states. General Gorry said the whole experience – even with transitioning his children into school, was so much better here than when he was stationed in Virginia. Chairman Shepard notes that Brigadier General Gorry is responsible for more than Camp Lejeune, but for the whole east coast.

Representative Bell asked if he heard correctly that there was a program at Elizabeth City State. Captain Culkin answered affirmatively. Representative Bell asked if this was also at Wilmington. Not currently answered Captain Culkin. Representative Bell then asked how they recruited members of the Coast Guard. Captain Popiel said they have three centers in the state, and most have a partnership school. They are trying to identify which HBCUs they can partnership with.

Representative Torbett noted that we always need to be prepared for war in order to protect the peace. Realizing that the President has said troops would be coming home, how can we jump in front of this since we will obviously have more veterans at that point that need care? Is there some way we can get an estimate number so we can prepare? Chairman Shepard responded saying he doesn't know of a good way. General Gorry agreed saying they just don't know and that there's really no way to tell.

Representative Torbett asked if he would lean toward expecting more than less veterans. General Gorry said yes. Representative Torbett asked if that what we should work toward then: being prepared for more than the same or fewer veterans. General Gorry responded affirmatively.

Representative Sanderson said he would be thrilled to see North Carolina move up to the number one place for military business. He knows of no other corporate entity that gives so much back. He saw the impact of the military after Irene's impact. We will face challenges and we need to do our homework and be ready to move on a moment's notice to protect our military and strength. We don't need to lose, but increase our presence.

Chairman Cook noted that when we bring the troops home we will not only have more veterans but more disabled veterans given our increased ability to keep folks alive and going. General Gorry said that was exactly right.

Chairman Shepard mentioned that the upcoming weekend there was a wounded warrior's golf tournament. General Gorry said that happened last weekend, there is one coming up to raise scholarship money, though.

Chairman Shepard reiterated that North Carolina tries to make it easy for military and their spouses to transition to life in North Carolina. Mr. Pell said that there was a bill that passed this session to grandfather in servicemen so that if they are certified for a trade in another state they will be automatically certified here as well. The same is true for spouses, the bill said.

Chairman Shepard asked the committee if another day besides Thursday worked better for the committee members. They agreed that Thursday was fine. The committee adjourned.



Representative Phil Shepard, Co-Chair Presiding

Representative Bill Cook, Co-Chair



Amanda Vuke, Co-Clerk

Pamela Pate, Co-Clerk



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Effective this the 15th day of September, 2011.



Thom Tillis
Thom Tillis
Speaker

2011 Regular Session

Ratified Military Legislation

Senate Bill 85 – A Senate Resolution honoring the dedication of North Carolina Veterans Park.

Senate Bill 597 – An act to ensure that the behavioral health needs of members of the military, veterans, and their families are met.

Senate Bill 779 – A Senate Resolution expressing gratitude to the members of the military for their service and honoring the memory of those killed in the line of duty.

House Bill 148 – A House Resolution honoring the dedication of North Carolina Veterans Park.

House Bill 159 – An act to authorize the Division of Motor Vehicles to make a notation on a North Carolina Drivers License shows a license holder's military veteran status.


House Bill 250 – An act to make references in chapter 127A of the North Carolina General Statutes to federal and state military organizations proper and uniform, and to make other clarifying, conforming, and technical amendments


House Bill 262 – An act to make references in the North Carolina General Statutes to federal and state military organizations proper and uniform, and to make conforming changes and other technical corrections to those sections.

House Bill 289 – An act to authorize the Division of Motor Vehicles to issue a special registration license plate for the USO of North Carolina, and for proceeds from the sale of that plate to support the mission of the USO in North Carolina.


House Bill 514 – An act to adopt provisions of the Uniform Military and Overseas Voters Act promulgated by the National Conference of Commissioners on Uniform State Law while retaining existing North Carolina law more beneficial to those voters.


House Bill 515 – An act to permit community colleges to include the cost of textbooks in the tuition charged for members of the armed services.



 Homeland Security


 United States Coast Guard

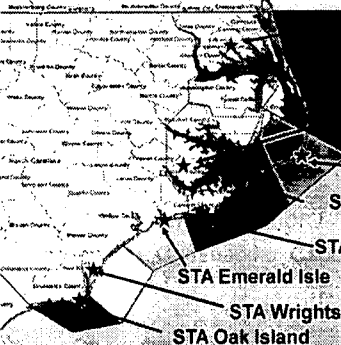
Sector North Carolina
 Wilmington, NC
CAPT Anthony Popiel
 Sector Commander, Captain of the Port





 Homeland Security



 United States Coast Guard

Areas of Responsibility




- STA Elizabeth City
- STA Oregon Inlet
- STA Hobucken
- STA Hatteras
- STA Ocracoke (Seasonal)
- STA Fort Macon
- STA Emerald Isle
- STA Wrightsville Beach
- STA Oak Island

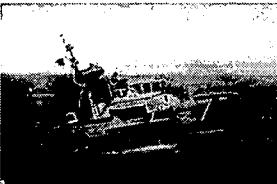

 Homeland Security


 United States Coast Guard


Boats



55' ATON Boat




Motor Lifeboat (MLB)




Response Boat - Small (RBS)



Homeland Security **STATE PORTS** United States Coast Guard



Morehead City, NC



Wilmington, NC

- Administer U.S. Port Security Grant program
- Chair AMSC, Area Committee
- Regulate NCDOT Ferry System
- Manage waterways w/USACOE
- Enforce MTSA & OPA 90 regulations

About \$5 million/year for security projects



Homeland Security **Marine Inspection** United States Coast Guard

COTP, OCMI authorities

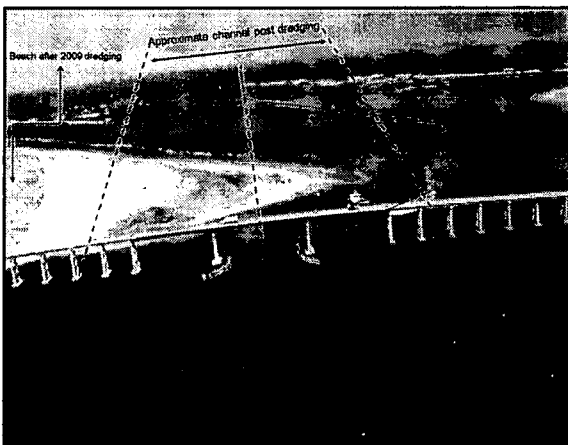
- Vessel Inspections: 500
 - Both foreign & domestic
- Facility Inspections: 170
- Fishing Vessel exams: 262
- Marine Casualties: 104

Screen vessels, crew, cargo

- Prior to arrival in U.S.

- CG screens every vesste entering the us.
- Warrants pop up frequently, depending on security risk we board on land or sea
- Chair Shepard: Does your group do all of the inspections? Yes





Homeland Security **Special Mission Training Center (SMTC)** United States Coast Guard

➤ SMTC Mission is to train USCG & DOD personnel in tactical missions.



Homeland Security **Air Station Elizabeth City** United States Coast Guard

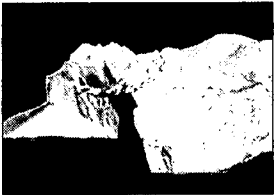
- **4 MH-60T Medium Range Rescue Helicopters**
 - Authorized 700 Programmed Flight Hours/Year/Aircraft
- **5 HC-130J Long Range Search Aircraft**
 - Authorized 800 Programmed Flight Hours/Year/Aircraft
 - Night Vision, Infrared sensors



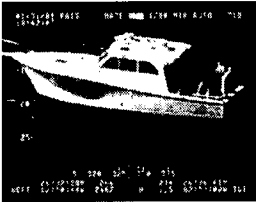


Homeland Security United States Coast Guard

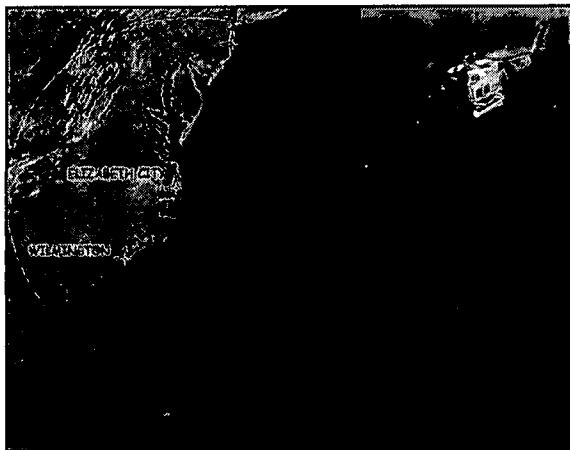
INTERNATIONAL



← International Ice Patrol

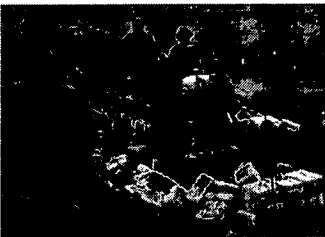



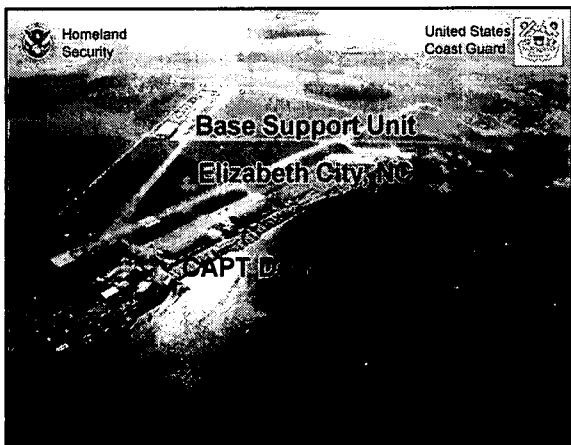
Maritime Security - Drug Interdiction →



Homeland Security United States Coast Guard

Questions?





- Gave Elizabeth City a "shout out" for the great relationship they have with the Coast Guard.
- CG is the oldest continual seafaring military service.
- His divisions job is to support Captain Popiel + his men, not to be in the spotlight themselves.

Homeland Security United States Coast Guard

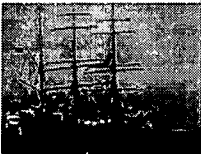
WHO WORKS HERE?

- Air Station
- Aviation Technical Training Center
- Aviation Logistics Center
- National Strike Force Coordination Center


- ~2300 people working on base. Tied into the community. He is involved with the Chamber.
- His unit represents + supports multiple units, including the Navy, Customs, Air Force + thus provides support + help worldwide.



Homeland Security United States Coast Guard

United States Coast Guard
Sector North Carolina
Wilmington, NC
Captain Anthony Popiel
Sector Commander






- They train many in rescue.
- Monitor many things including icebergs (something established after the Titanic catastrophe.)
- With thist activities such as oil spill clean-up they provide national + international support.
- They are glad to be a support team + have a great relationship with other military branches.
- Support from the Gd is appreciated.


Homeland Security  United States Coast Guard

AIR STATION ELIZABETH CITY
Guardians of the Atlantic


CAPT Joseph Kelly
Commanding Officer

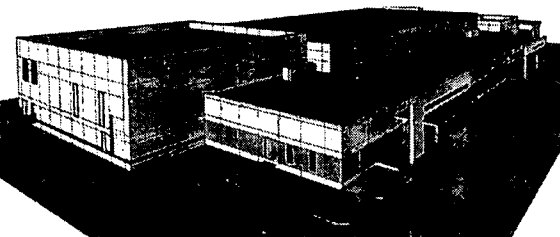
Homeland Security  United States Coast Guard

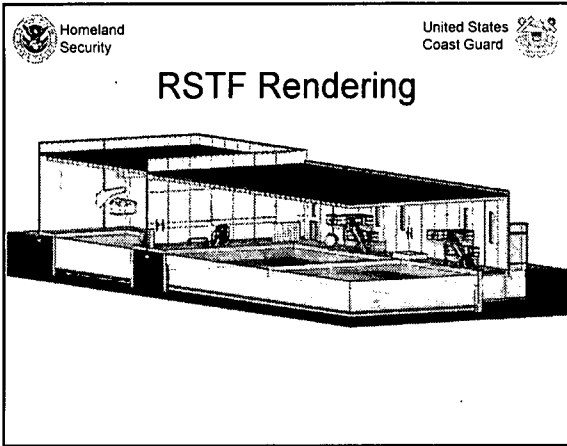
Construction Projects

- Stimulate the local economy:
~ \$75M in project work
- Rescue Swimmer Training Facility
- Coast Guard Exchange
- Barracks
- Galley

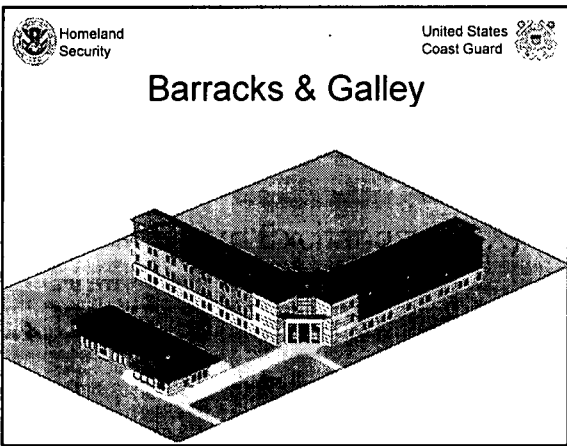
Homeland Security  United States Coast Guard

Rescue Swimmer Training Facility (RSTF)










NORTH CAROLINA NATIONAL GUARD

Information Brief

House Select Committee on Military Affairs
 COL Keith Pearce
 NCGG-Strategic Plans Office
 29 September 2011



Outline

- Command and Control
- Who We Are
- Where We Are
- What We Do
 - Federal Mission
 - State Mission
- Funding

VISION The North Carolina National Guard is the most effective, efficient, innovative, and indispensable partner in securing our homeland by providing the best military value for our State and Nation.

Care Competency
Provide Ready Force by recruiting, training, equipping, mobilizing, and deploying capabilities in support of Civil Authorities and Federal Missions.

Values (VPP)
Efficiency, Personal Leadership, Making the Force, Families and Personnel, Committed to People, Mutual Respect, Obedience, Integrity, Accountability, Teamwork, Courage, Innovation and Empowerment, Force Orientation and Adaptability, Public Responsibility and Citizenship, Civility, Selfless and Humane, All Who Serve are Commanded, Honor on the Battlefield and Campaign, Superior, Personal Excellence, Professionalism, Continuous Improvement.

Strategic Pillars


Securing: Ready the Force

Supporting: Support the Force

Enabling: Enable the Force

Empowering: Employ the Force

END STATE



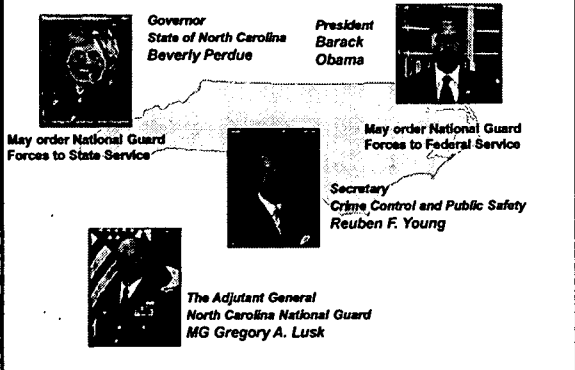
The North Carolina National Guard's proud motto is *Ready, Train or Carry, Soldiers and Airmen who are Always Ready and Always There to Protect and Preserve the lives and property of North Carolina citizens, Defend our Nation, and Secure our American way of life.*

MISSION

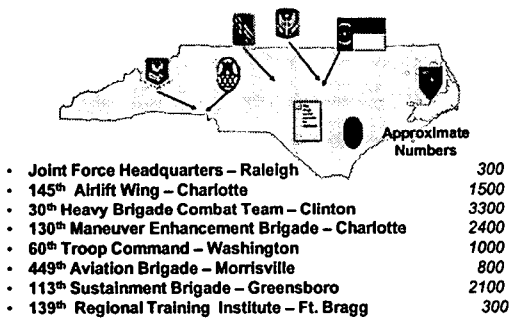
• MG Lusk came on board last year. This is the strategic plan he authored, a task he spent 12 months on.

• Passed out a magazine containing the strategic plan. Included as 09/29/2011 Attachment 5.

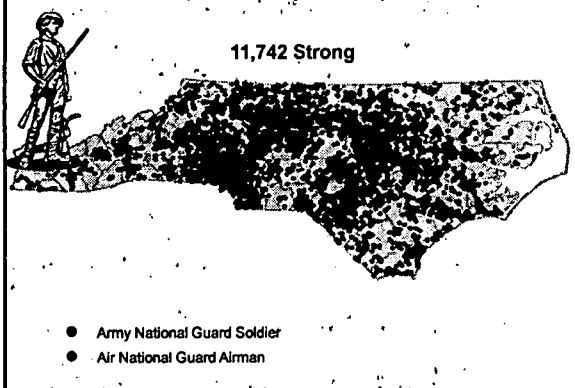
Command and Control



Who we are... Major Headquarters



Who is the Guard?



Where we are....

**101 Army Locations * 2 Air Force Locations
75 Counties**



- △ Army Guard Facilities
- Air Guard Facilities
- ★ Joint Forces Head Quarters

Headquartered in Raleigh

Federal Mission

Operation Iraqi Freedom/New Dawn

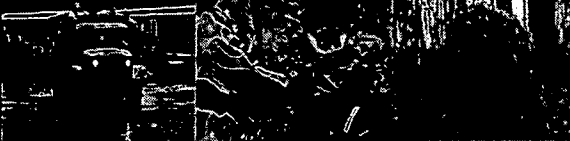


Disaster Relief/
Border Security

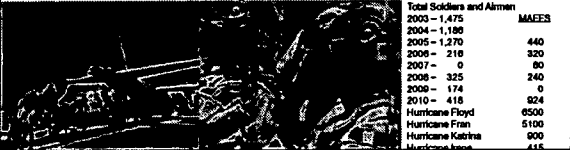
This is the Federal Mission
since 9-11

**State Mission/Direct Support
To Civil Authorities**

Disaster Relief WMD Response Counterdrug



Forest Fire Rapid Reaction



North Carolina National Guard
DSCA Deployments

Total Soldiers and Airmen	MAEES
2003 - 1,475	
2004 - 1,198	440
2005 - 1,270	320
2006 - 218	80
2007 - 0	240
2008 - 325	0
2009 - 174	824
2010 - 418	8500
Hurricane Floyd	5100
Hurricane Fran	900
Hurricane Katrina	418

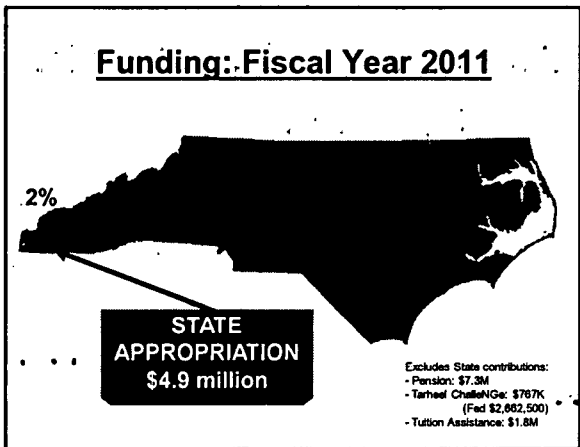
Just returned from a mission
in Texas

Community Support

Develop and participate in local, state and national programs which provide a positive impact in our *communities*.

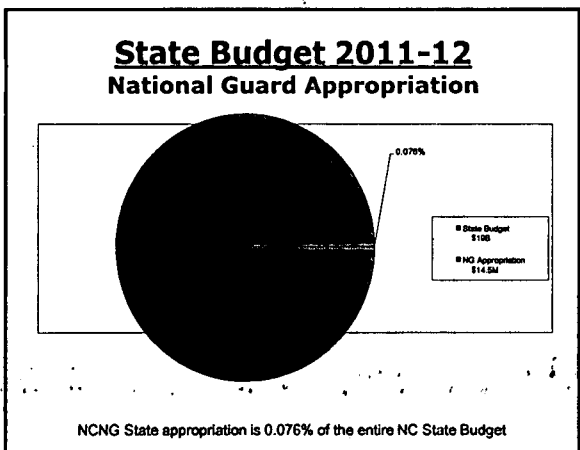
Starbase
State Partnership Program
Moldova & Botswana
Tarheel Challenge

Most proud of this. Almost 3,000 cadets awarded GED's (almost 70%) since its inception in 1994



From the Justice + Public Safety Committee.

From Edu. Approps. Comm. This is "absolutely crucial." Thank you for your support.





NC Department of Administration
NC Division of Veterans Affairs



House Select Committee on Military Affairs
September 2011

Timothy E. Wipperman
Assistant Secretary for Veterans Affairs

Wayne Peedin
Assistant Director

Division of Veteran Affairs
Motto

“Helping those who served”

History

- The North Carolina Division of Veterans Affairs (NCDVA) was first established as a part of the Commission of Labor in 1925 to “aid veterans of the World War.”
- In 1945, the NCDVA became a separate agency to assist veterans and their families in securing benefits earned through military service. NCDVA is housed in the NC Department of Administration

Organization

- N.C. Veterans Affairs Commission
- Assistant Secretary’s Office
- State Service Office
- Fifteen District Field Offices
- Affiliated County Service Offices . . .
- State Veterans Cemeteries
- State Veterans Homes
- Scholarship Program

...We work closely with them though they are not technically a part of us.

Mission

To provide North Carolina veterans, their dependents, and their survivors courteous, competent, and timely services.

Function

The function of this agency is to assist veterans and their families in the presentations, processing, proof and establishment of claims, privileges, rights, and benefits to which they may be entitled to under Federal, State, or local laws.

Contact Information

- Web address: www.ncveterans.com or www.ncveterans.net
- Director's Office: 919 807-4250
- Director's street address:
325 North Salisbury St., Suite 1065
Raleigh, NC 27603
- Mailing address:
1315 Mail Service Center,
Raleigh, NC 27699 - 1315
- District and County Service Offices - phone numbers and locations can be located on Web site

North Carolina Veterans Facts

- 792,000 Veterans
- NC ranks 9th in the US in veterans population
- 13.23% of the state population are veterans
- 35% of NC population are either military, veteran, spouse, parent, or dependent
- North Carolina received \$3,421,597,000 from the U.S. Dept. of Veterans Affairs in 2009.
(4th in the United States)

6th for women veterans

*data from various US Veteran Administration sources

North Carolina Veterans Facts (Continued)

- 123,000 plus NC veterans receive US Veteran Administration disability compensation
- North Carolina veterans received \$2,200,000,000 in compensation and pension benefits in 2009.
- 82,050 military retirees and 9,300 surviving spouses reside in North Carolina

*data from various US Veteran Administration sources

District Veterans Service Offices

- 15 District Offices strategically located from Elizabeth City to Murphy
- Offices are staffed by one or more Service Officers with clerical support
 - Highly trained and accredited
 - Provide services directly to veterans and their dependents
 - Train, assist, and provide quality control for affiliated County Veterans Service Officers
- Provide assistance with the scholarship application process

Affiliated County Veterans Service Offices

- Employees hired & supervised by respective county
- 66 counties - full time county service officer(s)
- 26 counties - part time service officer(s)
- 8 counties - served by NCDVA
- DVA can issue up to \$2,000 matching stipend to each county that has program (*funding reduced by S.L.2011-145 to ~\$1,800*)
- Most are accredited with NCDVA

State Veterans Service Office

- Located in the Regional Office, U.S. Department of Veterans Affairs, Winston Salem, NC
- Responsible for coordinating with US Department of Veterans Affairs
- Receive claims from District Offices
- Conduct file reviews
- Provide representation for appeal hearings held at Regional Office

**North Carolina State Veterans
Nursing Home**

*James A. Woodard
Program Manager*

Fayetteville Campus
214 Cochran Avenue
Fayetteville, NC 28301

Salisbury VAMC Campus
1601 Brenner Avenue
Salisbury, NC 28144

We have 2 more on the way.

Mission Statement

*"To provide quality health care services
in a professional and ethical manner,
insuring the trust,
confidence and respect
of our residents, families, employees
and the communities we serve."*

Vision

*"Providing quality health services
which creates
an environment rich
in human spirit and caring."*

**Fayetteville, NC
State Veterans Nursing Home**

- 150 bed facility
- 236 Employees
- Provides skilled nursing care
- Managed by United Veterans Service, Inc.
- Located 214 Cochran Ave.
Fayetteville, NC 28301
- Phone number: 910-822-7231

Salisbury, NC
State Veterans Nursing Home

- 99 Bed Facility
- 180 Employees
- Provides Skilled Nursing Care
- Managed by United Veterans Service, Inc.
- Located on W.G. Hefner Medical Center Campus, Building #10 in Salisbury, NC
- Phone number – 704 638-4200

Kinston , NC
State Veterans Nursing Home

- Under Construction-Due to Open Early 2012
Funded by NC Veteran Home Trust Fund &AARA funds
- 100 Bed Facility
 - Single Rooms
 - 2 Bariatric Rooms
- Expected job creation ≈ 200 jobs
- Located on Hull Road Near Caswell Center

These are funded by a trust fund from the existing homes.

Black Mountain (Swannanoa), NC
State Veterans Nursing Home

- Under Construction-Due to Open Early 2012
Funded by NC Veteran Home Trust Fund &AARA funds
- 100 Bed Facility
 - Single Rooms
 - 2 Bariatric Rooms
- Expected job creation ≈ 200 jobs
- Located Between Black Mountain and Swannanoa off Old U.S. 70

Eligibility for Services
General Statutes Article 8, 165-53

- Served on active duty (other than for training)
- Discharged under honorable conditions
- Resident of North Carolina 24 months prior to date of application
- Be referred by licensed physician
- Be disabled
 - Age, disease, or other reasons determined through a physical exam

State Veteran Nursing Home Features

- All therapies
- Full time dietician
- 24-hour nursing
- Pharmacy
- Veterans officer on site
- Volunteer Services
- Barber/beauty salon

entirely receipt based

Features (Continued)

- Activities room
- Rehabilitation room
- Hospice
- Chaplain on staff
- Wheel chair accessible van for medical appointments
- Cable and telephone access
- Laundry

State Veteran Nursing Home Admissions

- 24/7
- US VA benefits and per diem for eligible veterans
- Medicare, Medicaid, commercial insurance, and private pay
- Preadmission tours available
- Contact Admissions Coordinator at respective facility for more information or admission
- **Note: NC State Veterans Home Program is 100% receipt-based operation. No state appropriations**

NC State Veterans Cemetery Program

*Eli Panee
Cemetery Program Manager*

Cemetery Locations

- Western Carolina State Veterans Cemetery
962 Old US 70 Highway
Black Mountain, NC 28711
Phone No. (828) 669-0684
- Coastal Carolina State Veterans Cemetery
110 Montford Point Road
Jacksonville, NC 28541
Phone No. (910) 347-4550
- Sandhills State Veterans Cemetery
400 Murchison Road
Spring Lake, NC 28390
Phone No. (910) 436-5630

Eligibility

- Served on active duty (other than for training)
- Discharged under honorable conditions
- North Carolina resident
- Dependent burial includes spouse, widow or widower of qualified veteran, or minor child who is unmarried or handicapped child regardless of age
- Pre-verification available at each cemetery

Benefits

- Plot
- Opening/closing of grave
- Marker
- Perpetual care
- Markers provided by VA
Extra inscriptions can be added at no expense to the family

Scholarships for Children of War Veterans

General Statute 165. 19-22

In appreciation for the service and sacrifices of North Carolina's war veterans, a four-year scholarship program at approved schools in North Carolina has been established for the qualifying children of certain class categories of deceased, disabled, combat or POW/MIA veterans.

Scholarships are for any state or private, not-for-profit school in N.C.

Scholarship Program (Continued)

- Provides scholarships to children of eligible Veterans who entered Military Service from North Carolina
- Four Year Scholarship
- Accredited institutions in the State of North Carolina
- Apply District Service Offices and County Veterans Service Offices

Criteria and Qualifications

- The applicant must: be under age 25 at time of application
- Natural child (or adopted prior to age 15) of qualifying veteran parent
- Domiciled in NC at application
- The veteran's disabilities/death must have occurred during a period of war

*There are 4 classes of scholarship,
2 of them are competitive*

Criteria and Qualifications (Continued)

- Meet 1 of following:
 - Veteran parent was a legal resident of North Carolina at the time of entrance into the armed forces

OR

 - Child born in NC and continuous resident of NC

Criteria and Qualifications continued

- For Classes II and III, which are competitive, the application must be received in the Assistant Secretary's Office on or before March 1st. There is no deadline for Classes IA, IB, or IV.
- For additional information refer to the classes chart (synopsis of the scholarships offered) on website: www.ncveterans.com or www.ncveterans.net

Strategic Planning

- NC Veteran Population
 - 1980: 550,000
 - 2011: 792,000
 - After OEF/OIF: will increase
 - NC DVA Field Staff
 - 1980: 40 DSO; 34 PA
 - 2011: 30 DSO; 29 PA
- *Does not include nursing homes or cemeteries which we did not have in 1980

DEF = operation Enduring Freedom
 OIF = operation Iraqi Freedom

Strategic Planning

- *How will we meet the challenge?*
 - Technology
 - Collaboration
 - CVSO
 - Veterans Service Organizations
 - US DVA
 - Local Colleges & Universities

CVSO = county veteran service offices

*Thank you for your interest
 in the North Carolina
 Division of Veterans Affairs.*

*We look forward
 to serving
 the veterans in our state.*



NC Department of Administration
www.doa.nc.gov

NC Division of Veterans Affairs
www.ncveterans.com
www.ncveterans.net

OUR MILITARY MEANS BUSINESS FOR YOUR BUSINESS.

GET CONNECTED AT MATCHFORCE.ORG

ncmbe
CONNECTING BUSINESS AND MILITARY

North Carolina
Military Business
Center

Military Market and
NCMBC Services

September 29, 2011

NORTH CAROLINA MILITARY BUSINESS CENTER
★ ★ ★ ★ ★

ncmbe
CONNECTING BUSINESS AND MILITARY

**Situation
Military Impact**

- Total DoD impact in NC: \$23.4 billion
- 5 major installations
- 4th highest military presence nationwide
- 116,073 active duty personnel
- 16,000 annual military personnel transitions
- Growth: BRAC and "Grow the Force"

Cassell County - Royal Park Uniforms, Inc., \$22,302,000 for Army blue men's dress trousers

NORTH CAROLINA MILITARY BUSINESS CENTER
★ ★ ★ ★ ★

Understated, as we are now 3 years into this

3rd highest amount of active-duty military of any state in the U.S.

ncmbe
CONNECTING BUSINESS AND MILITARY

**Federal Procurement
FY2010**

- Procurement, DoD: \$320 billion (CONUS)
- Procurement, DoD in NC (87 Counties):

Fiscal Year	Dollar Value in Billions
FY 2006	\$2.69
FY 2007	\$2.97
FY 2008	\$3.64
FY 2009	\$4.01
FY 2010	\$3.60

- Procurement, federal in NC (97 Counties):
- \$5.38 billion (7,903 Contractors)

Wake County - Quality Staffing Services, \$2,303,284 for health clinician staffing for the National Guard


NORTH CAROLINA MILITARY BUSINESS CENTER
★ ★ ★ ★ ★

This is under-stated because it represents prime contractors. The impact is greater when you realize the prime contractors hire subcontractors

ncmbc
CONNECTING BUSINESS AND MILITARY

Current Opportunity Sectors

- Military Construction (MILCON)
 - \$5 billion to \$7 billion program over 5 years
 - Multiple award contract successes
 - Camp Lejeune, \$450m, 5 of 7 winners from NC
 - Seymour Johnson, \$45m, 5 of 5 SB winners NC
 - Fort Bragg, \$100m, 3 of 7 SB winners from NC
 - Camp Lejeune utilities, \$65 million (ST Wooten)



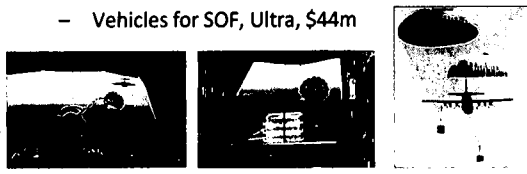
NORTH CAROLINA MILITARY BUSINESS CENTER

military related construction

ncmbc
CONNECTING BUSINESS AND MILITARY

Current Opportunity Sectors

- Manufacturing and product distribution
 - Parachutes, high/low velocity aerial delivery, 4 NC companies, over \$32m
 - Body armor, KDH Defense, max \$39m
 - Vehicles for SOF, Ultra, \$44m




Gulford County - Performance Textiles, \$51,040 for parachute fabric
NORTH CAROLINA MILITARY BUSINESS CENTER

ncmbc
CONNECTING BUSINESS AND MILITARY

Current Opportunity Sectors

- Services, Non-Personal
 - Solar hot water for military family housing, Camp Lejeune, FLS Energy, \$7.3 million
 - Forest mastication, Camp Lejeune, Whitley & Brown, New Bern, \$110,000
 - Major bids: network, aircraft maintenance, Fort Bragg



Wake County - Southern Energy Management, \$75,000,000 for solar energy integration services
NORTH CAROLINA MILITARY BUSINESS CENTER



Future Opportunity Factors

- Federal market is booming (high demand)
- Growth at bases in North Carolina
- Defense spending trend down may still favor NC
- Small business opportunities: 23% goal
- Regulatory environment: FAR levels playing field
- Transitioning military & spouse workforce
- Great business capacity in NC (high supply)

Incefield County - deBotech, Inc., \$81,250 for aircraft panels

NORTH CAROLINA MILITARY BUSINESS CENTER

Federal government is always
the biggest buyer



Future Opportunity Sectors

- Energy and environmental services
- Information technology
- Logistics services
- Military construction
- Manufacturing and product distribution

Durham County - Pierce Metals, LLC, \$21,600 for titanium sheet metal

NORTH CAROLINA MILITARY BUSINESS CENTER



Future Opportunity Challenges

- Defense spending trend down
- Contracting procedural environment
- Consolidation among defense contractors
- Market intelligence, positioning for future wins
- High competition - companies surging to market (and NCMB services)

Robeson County - Chevis, Inc., \$5,328,428 for design and construction of a fire station at Camp Lejeune

NORTH CAROLINA MILITARY BUSINESS CENTER



Mission & Goals

Mission

To leverage military and other federal business opportunities for economic development and quality of life in North Carolina

Goals

- 1 - Increase federal business for NC companies
- 2 - Integrate military/families into workforce
- 3 - Support defense-related recruitment

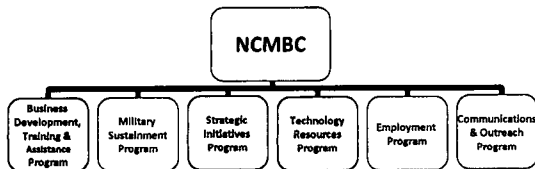
Duncombe County - FLS Energy, \$7,339,500 for solar hot water for military family housing

NORTH CAROLINA MILITARY BUSINESS CENTER



NCMBC Programs

Six aggressive, focused programs designed to engage & train businesses & maximize job creation

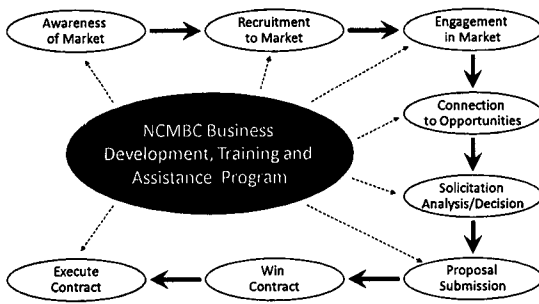


Craven County - United Builders Group, \$2,378,265 for rehabilitation of Bodie Island Lighthouse

NORTH CAROLINA MILITARY BUSINESS CENTER



NCMBC Programs - Business Development



NORTH CAROLINA MILITARY BUSINESS CENTER



Business Development Team

- Create awareness of opportunities, recruit NC firms
- Identify current opportunities, notify NC firms
- Assist firms with solicitations, quotes, proposals
- Pre-position, develop sub-contract opportunities

CY2011	99 Contracts	\$148 - \$2,288 million
CY2005-2011	1,148 Contracts	\$2,682 - \$7,754 million

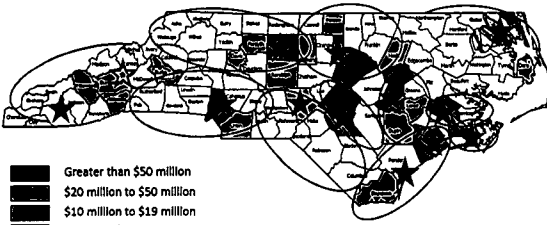
As of: 28 SEP 2011

Franklin County - New Phoenix Aerospace, \$544,258 for C-130 rotors, armature

NORTH CAROLINA MILITARY BUSINESS CENTER



DoD Procurement & NCMBC Business Developers



- Greater than \$50 million
- \$20 million to \$50 million
- \$10 million to \$19 million
- Less than \$10 million

★ NCMBC - Serving Statewide!

DoD Data FY2009

NORTH CAROLINA MILITARY BUSINESS CENTER



MatchForce

- Matches businesses to federal opportunities
- Matches prime contractors to NC subcontractors
- Matches businesses to NC job seekers
- Businesses won >\$607 million, 2006-11 contracts
- Currently on MatchForce:

15,744 NC Businesses	37,198 Individuals
5,192 Contract Opportunities	1,434 Job Opportunities



As of: 29 SEP 2011

Iredell County - Roush Yates Engines, \$800,000 for engine components for combat vehicles

NORTH CAROLINA MILITARY BUSINESS CENTER

This is a dating service for federal contracts.

"Military Friendly Employers" Committed to Hiring Military Personnel and Family Members

HOME ABOUT US ONLINE DIRECTORY JOIN EMPLOYERS TODAY FOR BUSINESS FOR PERSONNEL & FAMILIES

EDUC PROGRAM SPONSOR TESTIMONIALS USER SERVICES CONTACT US EVENTS & ACTIVITIES IN THE NEWS

NC BUSINESS DIRECTORY

The North Carolina Military Business Center (NCMBC) and partners created the 11th Military Reserve for the State of North Carolina.

"11th Military" helps strengthening military personnel and family members' ability "Military friendly employers" in our state - and in they NC!


HOW TO GET STARTED

FOR BUSINESS **FOR PERSONNEL & FAMILIES**

"I was exiting my military life and unsure of what my next steps would be. I HIRE Military helped me find an employer that valued my military skills!" - John Doe

SPONSORS AREA

OUR PARTNERS OUR SPONSORS SPONSORSHIP OPPORTUNITIES VOLUNTEER NAVFORCE NCMB




Resources and Training

- Resource matrices to overcome obstacles
- Market intelligence for future contracts
- Subcontracting events with major primes
- Training: industry-specific and regional events
 - Advanced: Defense Contractor Academies
 - Intermediate: IT, Military Construction
 - Basic: "Contracting 101" with partners

Ashe County - Carolina Apparel Group \$32,180 for military underwear

NORTH CAROLINA MILITARY BUSINESS CENTER



Major Events

- 2011 Federal Construction and Infrastructure Summit (FEDCON), OCT 19 - 20 (Wilmington)
- 3rd Annual Contracting Symposium, NOV 9 (Albemarle)
- North Carolina Military Logistics Symposium, FEB 2012
- 3rd Annual NC Environmental Symposium, APR 2012
- 3rd Annual NC Federal IT Symposium, MAY 2012
- 5th Annual NC Roundtable at NAVFAC Industry Forum, JUN 2012

Person County - North American Aerodynamics, \$13,069,477 for G-12 cargo parachutes

NORTH CAROLINA MILITARY BUSINESS CENTER



Performance Outcomes

"RETURN ON STATE INVESTMENT"

- Funds expended: \$7.5 million in 6.5 years
- Minimum value, contracts won: \$2.682 billion
- State corp. income tax revenues: \$185 million
- Return on State investment: 24:1
- Individuals employed on contracts: up to 89,000 (@\$30,000 per job, 2005-2011)

Gaston County - American & Ethel, Inc. \$1,386,250 and \$2,095,104 for thread

NORTH CAROLINA MILITARY BUSINESS CENTER

Funds expended to date



What NC Needs to Do, "Strategically and Systemically"

- Expand business engagement in the market
- Support business growth & resources
- Leverage the market - current (BuyNC, BuildNC) and future (the "next big thing")
- Build *productive* relationships - contractors & government
- Leverage military-related workforce (StayNC)

\$450,000,000 for Navy/USMC general construction at Camp Lejeune and Cherry Point awarded to seven companies - five being NC companies

NORTH CAROLINA MILITARY BUSINESS CENTER



Success Impact

Federal Market

- Booming engine for job creation
- Companies surging to market & NCMBC services

Every \$100 million in DoD Contracts:

- Up to 3,000 jobs created, retained (\$30,000/job)
- \$7 million in State corporate income tax; other revenue
- Improved services and quality of life for ALL in NC

Burke County - Robinson Hosiery Mills, \$8,820,000 for military socks

NORTH CAROLINA MILITARY BUSINESS CENTER



Contact Information

- Scott Dorney, Executive Director, 910-323-4824, dorneys@ncmbc.us
- Courtney Smedick, Integrated Marketing and Training, 910-678-0190, smedickc@ncmbc.us
- Bill Greuling, Business Development Manager, 919-536-7239 x4307, greulingb@ncmbc.us
- Cherie Daniels, Procurement Analyst, 252-646-9707, danielsc@ncmbc.us

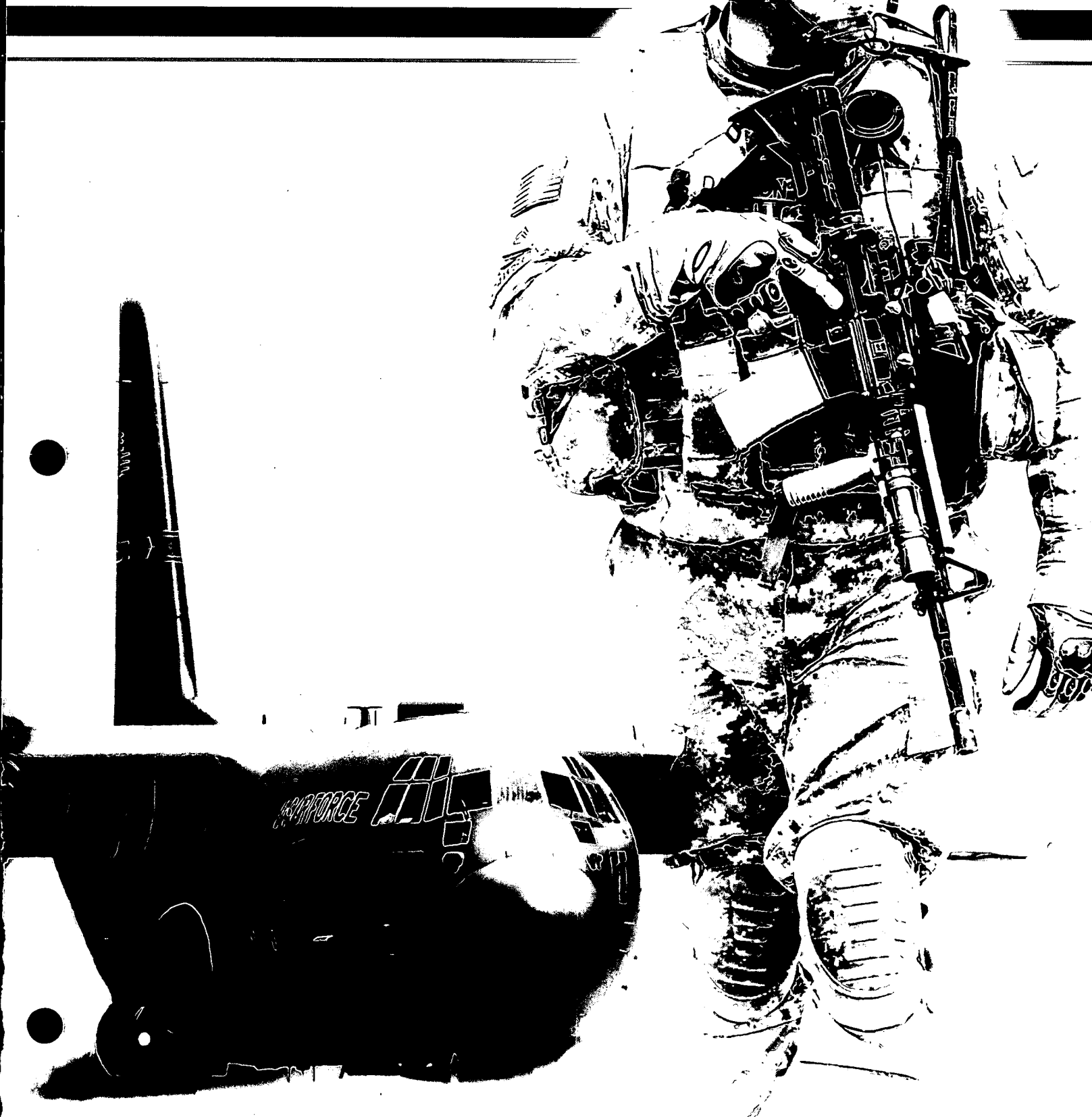
NORTH CAROLINA MILITARY BUSINESS CENTER

09/29/2011
Attachment 5

NORTH CAROLINA NATIONAL GUARD

CAMPAIGN

PLAN 2012-2017



Right for North Carolina

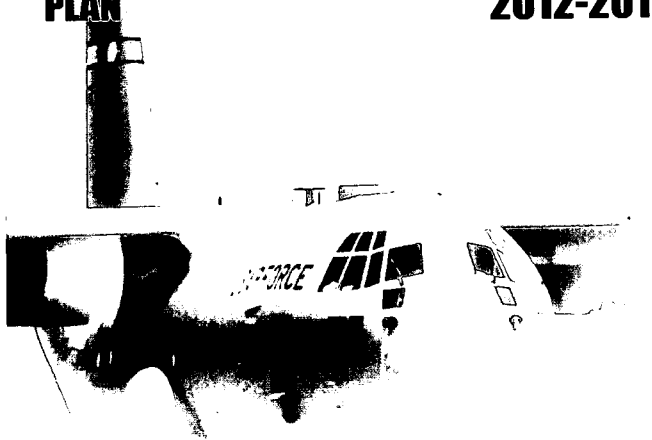
VISION

The North Carolina National Guard is the most effective, efficient, innovative, and indispensable partner in securing our homeland by providing the best military value for our state and nation.

End State: Soldiers, Airmen & Units see the NCNG as:

- Fair and non-discriminating
- Open and transparent
- Loyal to their commitment
- Deserving of their service
- Stewards of the environment

NORTH CAROLINA NATIONAL GUARD CAMPAIGN PLAN 2012-2017



MISSION

The **North Carolina National Guard** provides a **READY TEAM** of Citizen Soldiers and Airmen who are **ALWAYS READY** and **ALWAYS THERE** to **PROTECT** and **PRESERVE** the lives and property of North Carolina citizens, **DEFEND** our Nation, and **SECURE** our American way of life.

9/29/11
Attachment 7

North Carolina Military Business Center

Mission:

To leverage military and other federal business opportunities for economic development and quality of life in North Carolina

Goals

- Increase military business for existing North Carolina companies
- Support recruitment and development of defense businesses in North Carolina
- Integrate transitioning military personnel and family members into the workforce

Statewide Offices

NCMBC Headquarters
 ★ Executive Director, Scott Dorney

★ Communications & Outreach
 Courtney Locus, 910-678-0191

★ Intergrated Marketing & Training
 Courtney Smedick, 910-678-0193

★ Procurement Analyst, Cherie Daniels

★ Military Construction Specialists
 Sue Kranes & Paulanne Page

★ Strategic Initiative Programs
 Wilmington, 910-686-2355
 Thomas "Mickey" Finn

910-678-0191/877-245-5520
 P.O. Box 1748
 Fayetteville, NC 28302

Business Development Team:

★ Durham, 910-578-2626
 Bill Greuling, Manager

★ Franklin/Asheville, 828-349-3878
 Teresa Bouchonnet

★ Charlotte, 704-806-6858
 Fran Perez-Wilhite

★ Greensboro, 336-334-4822
 ext 62002, Rick Gilmore

★ Pinehurst, 910-728-5122
 Linn Owen

★ Fayetteville, 910-678-0192
 Diana Potts

★ Goldsboro, 919-739-6943
 Pam Pogue

★ Jacksonville, 910-938-6785
 Anne Campbell

★ Morehead City, 252-222-6378
 Carolyn Bunting

★ Havelock, 252-638-2723
 Doris Foy

★ Elizabeth City, 252-335-0821
 Dave Wessel

Programs and Strategies

Business Development Program

- Engage North Carolina companies in the military marketplace
- Identify and connect North Carolina businesses to current opportunities
- Provide solicitation and proposal assistance to businesses to win contracts
- Pre-position North Carolina businesses for prime and subcontracts

Military Sustainment Program

- Reverse Engineering Initiative: engineer and produce parts for aging DoD aircraft
- Defense Machining Initiative: assess and post DoD solicitations to SourceNC.com

Technology Resources Program

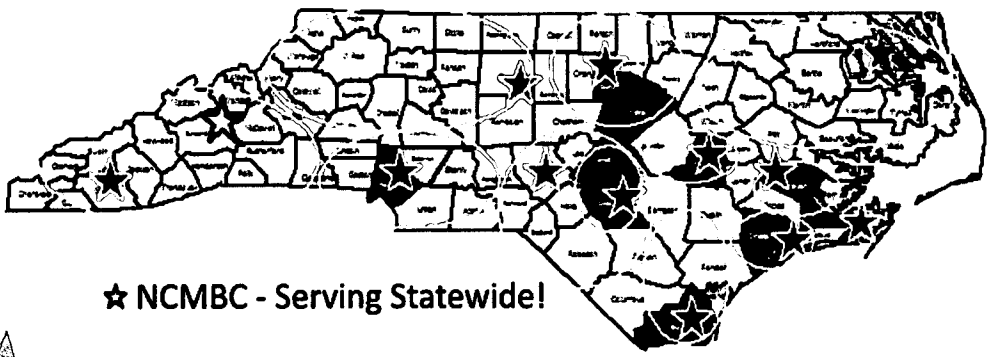
- MatchForce.org: connects businesses to contract opportunities & job seekers
- NCMBC.us: provides program data, capabilities matrices and contracting resources

Employment Program

- MatchForce.org: connects transitioning military personnel & others to NC jobs
- Transitioning military database: identifies potential workforce to growing businesses
- "StayNC" and "I Hire Military": targeted at transitioning military and NC employers

Strategic Initiatives Programs


- Military construction: connect businesses with \$5-7 billion in MILCON work in NC
- Subcontracting: develop opportunities with major DoD prime contractors
- Emerging opportunities: identify and pre-position NC firms for future opportunities
- Base growth, technology transition, business capacity: leveraging future growth



★ NCMBC - Serving Statewide!



www.NCMBC.us
 www.MatchForce.org



**OUR MILITARY
MEANS BUSINESS
FOR YOUR BUSINESS.**

**GET CONNECTED AT
MATCHFORCE.ORG**

North Carolina Military Business Center

Goals: Increase federal contracting with NC firms; recruit defense contractors; integrate military into the workforce

Business Development (29 SEP 2011)

- Team operating in 13 locations (11 Community Colleges)
- 2011: Firms won 99 contracts, \$148 - \$2,288 million
- 2005-11: Firms won 1,148 contracts, \$2.6 - \$7.7 billion

MatchForce.org (29 SEP 2011)

- 15,744 NC businesses, 37,198 individuals registered
- 5,192 contract, 1,434 job opportunities; all State jobs
- \$607.2 million (min) "wins" by notified firms, 2006-11

Strategic Focus

- Military construction: win fair share of \$7 billion at bases
- Future opportunities: pre-position NC firms, major contracts
- Subcontracting: develop opportunities with major primes
- Recruitment: support recruitment of defense contractors
- Workforce initiatives: fully leverage transitioning military
- Strategic opportunities: logistics, IT, energy/environmental



North Carolina Community College System
Preparing North Carolina's World-Class Workforce

FTCC **ncmboc**

CONNECTING BUSINESS AND MILITARY



North Carolina Military Business Center

The North Carolina Military Business Center (NCMBC) is a statewide, "business development" entity of the North Carolina Community College System. Headquartered at Fayetteville Technical Community College, the NCMBC operates from 13 offices across the state and provides services in all 100 counties. The NCMBC's mission is to leverage military and other federal business opportunities for economic development and quality of life in North Carolina.

The NCMBC's primary goal is to help existing businesses identify, bid on and win military and other federal contracts. The Department of Defense alone spends over \$350 billion in procurement each year, including \$4.0 billion in North Carolina. With six major military bases and the fourth highest number of military personnel in the country, North Carolina created the NCMBC to leverage military and other federal business opportunities to expand the economy and tax base and to grow jobs in the state. The NCMBC partners with the SBTDC/PTAC, Community College Small Business Centers, Chambers of Commerce, economic developers and other agencies to accomplish this goal.

A "business development" entity focused on the opportunity side of the procurement equation, the NCMBC connects North Carolina firms to current and future government contract opportunities two ways – with a team of business developers across the state and electronically with www.MatchForce.org.

The NCMBC's Business Development Team includes 12 experienced business development and procurement specialists across the state – including 10 community colleges – from Franklin in the west to Morehead City in the east. These specialists identify the most lucrative contract opportunities, notify North Carolina businesses of specific opportunities, and assist businesses to understand government solicitations and to prepare winning proposals. **Notified and assisted North Carolina businesses have won 1,095 contracts - worth between \$2.5 billion and \$7.2 billion – from the NCMBC's opening in 2005 through April 2011.**

To connect North Carolina businesses with all possible federal opportunities – worldwide and from bases in the state - the NCMBC administers the State's official, FREE web portal for federal contracting – www.MatchForce.org. Nearly 16,000 North Carolina businesses that have registered on the portal receive automatic matches to federal prime opportunities and to sub-contracting opportunities posted by other registered businesses. Registered businesses can also post job opportunities for FREE that match the job skills of over 35,000 registered individuals. Businesses that identify contract opportunities through MatchForce then contact the NCMBC for one-on-one assistance with solicitations, quotes and proposals to win federal contracts.

In addition to business development, the NCMBC works to integrate transitioning military personnel and family members into the state workforce, and to support economic developers in recruiting and growing defense-related businesses to North Carolina. The NCMBC maintains a searchable, historical database of transitioning military personnel on www.ncmbc.us, to help economic developers quantify this potential workforce for businesses in or re-locating to North Carolina. Governor Perdue also launched the NCMBC-developed "I Hire Military" initiative to identify "military friendly employers" in our state (www.IHireMilitary.org).

The NCMBC's strategic programs include: a focus on winning a fair share of \$5-7 billion in construction at bases in the state by 2013; developing subcontracting opportunities with major prime contractors; providing market intelligence and pre-positioning businesses for known future contracting opportunities; leveraging lucrative future federal business opportunities in information technology, logistics, energy and environmental, food and other key industries; and fully leveraging ongoing and future growth at military installations in North Carolina.

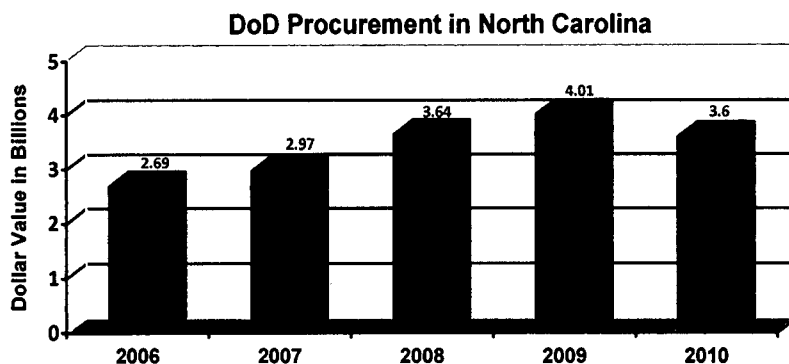
To learn more about NCMBC services or for business assistance, visit the NCMBC on-line at www.ncmbc.us, register on www.MatchForce.org or call toll free 877-245-5520.



Organizational Summary North Carolina Military Business Center (NCMBC)

Summary

- Return on State investment in the NCMBC is as high as 25:1 (see “Business Development”)
- Created by the General Assembly and opened in 2005 as a component of the NC Community College System, the NCMBC is the only statewide military business center in the country
- Federal opportunity
 - The federal market is booming in North Carolina, and base growth will accelerate this trend
 - Department of Defense procurement statewide in 2010 exceeded **\$3.6 billion**
 - Future reductions in defense spending nationally may favor procurement in North Carolina
- Business capacity
 - North Carolina has tremendous business capacity that can and does win federal contracts
 - Over 7,900 businesses in **97 counties** performed **\$5.38 billion** in federal contracts in 2010
- Jobs
 - The NCMBC connects federal **opportunity** to North Carolina **business capacity**, and provides one-on-one assistance to help businesses identify, compete for and win contracts
 - The NCMBC helps businesses across North Carolina **grow jobs** every day



Mission and Purpose

The NCMBC mission is to leverage military and other federal business opportunities for economic development and quality of life in North Carolina. The purpose of the NCMBC is to expand the State economy, expand the State and local tax bases and to grow jobs through increased federal procurement in North Carolina.

Goals

An economic development entity focused on existing businesses and job creation, the NCMBC has three goals:

- To increase military business for existing North Carolina businesses
- To support recruitment and development of defense businesses in North Carolina
- To integrate transitioning military personnel and family members into the State workforce

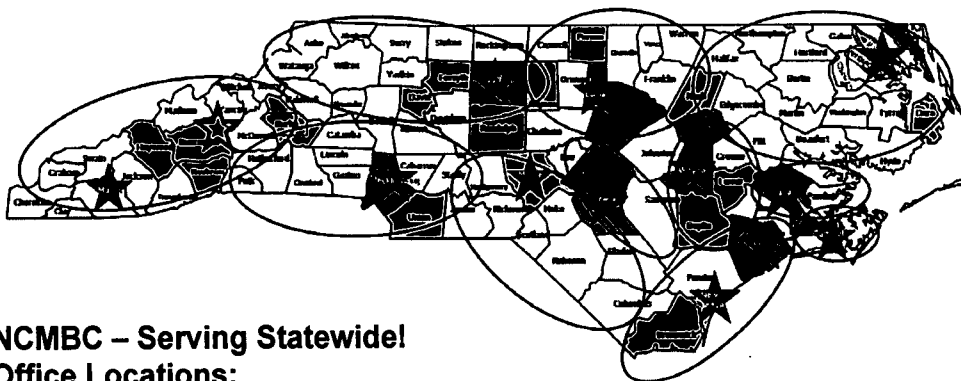


Funding

The NCMBC annual budget is \$1.25 million, which supports five NCMBC programs, 13 offices and 18 employees statewide. The NCMBC underwent a successful General Assembly **Continuation Review** in 2008-2009, after which it was awarded recurring funding at the above amount.

Operations

The NCMBC is a statewide, business development component of the Community College System. NCMBC business developers and statewide technology-based programs serve all 100 counties from 13 office locations across the State, including 11 community colleges. The stars on the map below indicate NCMBC office locations statewide:



**NCMBC – Serving Statewide!
Office Locations:**

Franklin/Asheville	Durham	Goldsboro	Jacksonville
Charlotte	Pinehurst	Havelock	Morehead City
Greensboro	Fayetteville	Wilmington	Elizabeth City

Programs and Measures

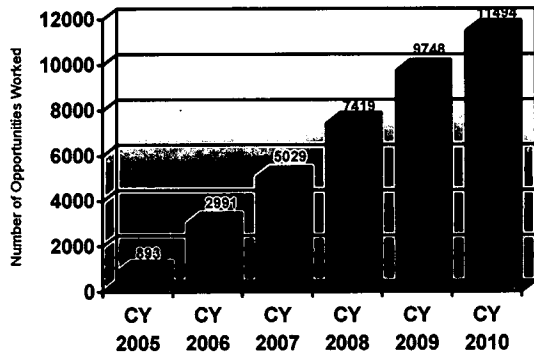
NCMBC programs support the goals outlined above. An innovative and dynamic organization that benefits from flexibility provided by the General Assembly and the NC Community College System, the NCMBC continuously measures outcomes and performance and adjusts program initiatives as needed to leverage emerging opportunities and to ensure maximum return on State investment.

- **Business Development (BD).** The NCMBC BD Team across the state identifies **current federal contract opportunities**, connects opportunities to North Carolina businesses using the NCMBC database, and provides one-on-one counseling and assistance to help businesses engage in the market, understand solicitations and to bid on and win federal contracts. Within assigned industries, team members also identify **future contracts** and team businesses to compete and win. **Outcomes** for the BD Team, from JAN 2005 to APR 2011 include:

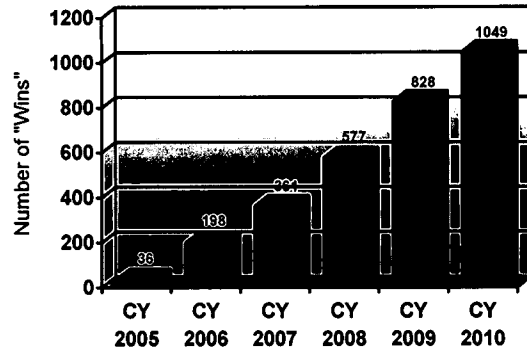
○ Contract opportunities identified and sourced to businesses:	12,133
○ Connections of contract opportunities to NC businesses:	3,136,000
○ Contracts won by NC businesses:	1,095
○ Value of contracts won by assisted NC businesses:	\$2.55 billion - \$7.13 billion
○ State corporate income tax on minimum value of contracts won:	\$176 million
○ Expenditure of State funds by NCMBC, 2005-2010:	\$7.0 million
○ Return on investment, minimum (corporate income tax to expenditures):	25:1
○ Jobs, employees engaged on contracts won (@\$30,000 per job):	up to 85,000



BD Opportunities Worked



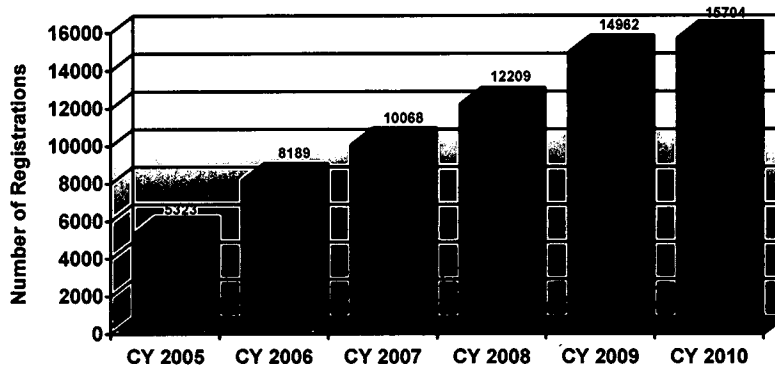
Number BD Team "Wins"



- Strategic Programs. The NCMBC strategic programs include initiatives to:
 - Leverage a **\$7 billion** military construction (MILCON) program at North Carolina bases by 2013 (NCMBC-supported businesses have won **\$979 million** (min) in MILCON contracts)
 - Promote **subcontracting** between major primes (such as Lockheed Martin, Whiting-Turner, Walbridge and Sundt Construction) and North Carolina businesses
 - Provide market intelligence on **future opportunities** in key industries with significant capacity in North Carolina, and help businesses in the state team to win future contracts
 - Leverage opportunities related to **base growth** in North Carolina and **new markets** to grow jobs across the state

- Technology Resources Program. NCMBC technology resources include web portals and databases that:
 - Bring future contract winners to the federal market - since 2005, over **15,759** North Carolina businesses have registered in www.MatchForce.org, the State's federal contract matching portal that makes **25 million** opportunity matches to these businesses annually (average)
 - Connect North Carolina employers with transitioning military, military family member and other job seekers through www.MatchForce.org (see "Employment" below)
 - Provide market intelligence, critical contracting technical information and connections to other State and federal contracting resources on www.ncmbc.us
 - Provide screened federal repair parts opportunity matches to North Carolina businesses in the machining industry through www.SourceNC

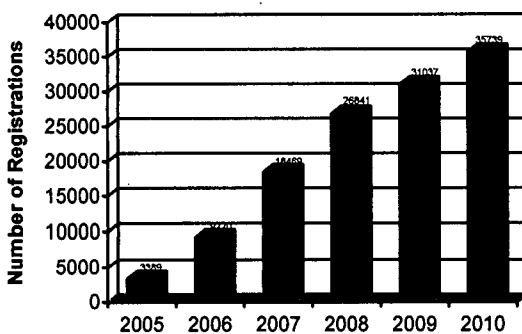
MatchForce Business Registrations



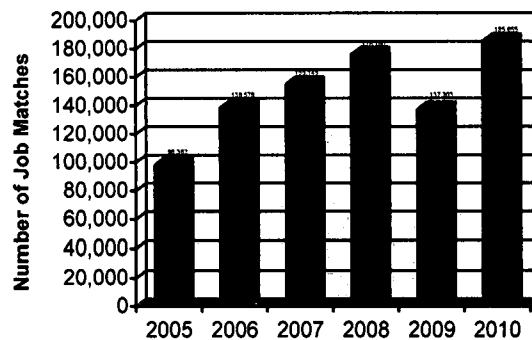


- **Employment Program.** The NCMBC provides services to integrate highly skilled, transitioning military personnel and family members into the state workforce. The transitioning military population and military spouses are an economic development engine to help existing businesses expand and to attract new defense contractors and other businesses to North Carolina. NCMBC employment initiatives include:
 - The “I Hire Military” and “StayNC” initiatives, oriented to employers and transitioning military
 - A web-based database on www.ncmbc.us of annual transitions from bases in the state
 - Active matching of over **36,368** individual skill profiles in www.MatchForce.org to over **1,400** job opportunities daily, which are posted by the 15,759 North Carolina business currently registered on www.MatchForce.org.

MatchForce Individual Registrations



MatchForce Job Matches



- **Training and Outreach.** The NCMBC conducts over **200 annual outreach events** and federal contracting activities **statewide** in support of community colleges, chambers of commerce, economic developers, universities, federal contracting offices, Congressional delegation members and other entities across the state. These include basic, advanced and industry specific training to engage and assist businesses in the federal market, and strategic events to build their competitiveness for prime and subcontracts in highly competitive, complicated but lucrative markets. Outreach events in 2011 will include:
 - Defense Contractor Academy (April 5 to May 12, with up to nine each year statewide)
 - 2d Annual North Carolina Federal Information Technology Symposium (May 10)
 - 2d Annual North Carolina Federal Environmental Symposium (June 10)
 - 4th Annual North Carolina Roundtable at NAVFAC Atlantic Industry Forum (June 22)
 - 10th Annual Defense Trade Show (August 8-9)
 - 6th Annual North Carolina Military Construction Summit (October; over 700 NC contractors attended the 2010 Summit)
- **Recruitment support.** An existing industry economic development entity, the NCMBC also provides ongoing support to the Department of Commerce and to regional and local economic developers across the state in recruiting defense contractors and other businesses to North Carolina. The NCMBC – the only military business center nationwide – offers the prospect of unique services in a uniquely strong federal market to relocating businesses that they would not enjoy in any other location in the country.



Conclusion

The NCMBC is a mission-focused, outcome-oriented, aggressive and flexible statewide business development component of the Community College System. The NCMBC produces unparalleled return on investment to the State of North Carolina through corporate income (and other) tax revenues generated on federal contracts won by supported businesses. Like the federal contract opportunities it leverages, the NCMBC is an engine for economic development and job creation that produces tangible results – and helps existing businesses grow jobs every day across the State of North Carolina.

OUR STORY

IMPORTANT INFORMATION FOR SPECIAL FRIENDS OF THE NORTH CAROLINA MILITARY BUSINESS CENTER

The North Carolina Military Business Center (NCMBC) created and Governor Perdue launched "I Hire Military" as an initiative to alert North Carolina employers of the value of hiring transitioning military personnel and family members and provide a forum for employers to designate themselves as military friendly employers.

The goal in North Carolina is to grow jobs, expand our economy, expand our tax base and provide better quality of life for everyone in our state – military and civilians. "I Hire Military," a component of Governor Perdue's JobsNOW Initiative, supports this goal.

A key component of expanding existing industries and attracting new businesses is a capable and ready workforce. Our transitioning military personnel and military family members represent a viable resource to support the workforce requirements expanding business capacity.

"I Hire Military" is a comprised of a two-prong effort to:

- **CONNECT WITH MILITARY:** Assure military that we appreciate their service and their skills; and want encouraging them to stay in North Carolina
- **CONNECT WITH EMPLOYERS:** Informing employers of the skills, training, education, discipline and other qualities of our transitioning military personnel (over 16,000 each year); and allow employers to identify themselves as "military friendly employers"

Participation in the "I Hire Military" initiative includes employers signing an on-line compact stating that they recognize the value of the military workforce, commit to hire veterans and military family members whenever practical, and consent to being identified – proudly – as military friendly employers.

AS A RESULT: Employers profiles are available on a searchable database of pledged military friendly employers. Military personnel can search this database to find employers who pledge to hire veterans and link to employers' websites, to MatchForce and ESC to find current jobs.



2010
NC Counties
DoD and Total Federal Contracts

County	DoD Contract Action	DoD Total Dollars	Federal Contract Actions	Federal Total Dollars
Not Identified	249	5,190,401.64	341	9,273,146.49
Alexander	-	-	3	44,497.42
Alleghany	-	-	28	585,126.17
Anson	2	52,017.00	9	1,287,559.85
Ashe	-	-	4	186,246.50
Avery	5	474,671.08	10	718,039.26
Beaufort	66	24,966,334.53	154	25,856,875.33
Bertie	-	-	33	1,424,373.07
Bladen	68	5,798,421.55	72	6,311,780.91
Brunswick	431	94,575,091.65	758	98,308,339.97
Buncombe	297	27,990,181.83	4,120	129,819,061.88
Burke	78	6,407,758.64	948	9,362,824.33
Cabarrus	63	2,323,472.95	255	5,298,338.25
Caldwell	7	28,908.65	175	2,515,338.19
Camden	1	21,150.00	8	123,061.64
Carteret	280	12,275,644.30	553	20,436,571.07
Caswell	-	-	-	-
Catawba	93	4,499,538.72	708	8,564,972.65
Chatham	45	1,313,641.97	71	2,176,654.80
Cherokee	12	612,893.31	51	3,870,861.31
Chowan	8	186,610.67	392	3,608,633.72
Clay	2	19,524.25	14	1,479,733.02
Cleveland	92	20,827,371.44	472	21,355,533.33
Columbus	6	339,838.80	143	1,649,209.56

2010
NC Counties
DoD and Total Federal Contracts

County	DoD Contract Action	DoD Total Dollars	Federal Contract Actions	Federal Total Dollars
Craven	2,698	202,689,104.21	2,929	208,247,949.31
Cumberland	7,240	1,222,454,943.81	8,862	1,261,889,196.63
Currituck	201	11,033,359.21	292	14,295,850.05
Dare	31	2,592,391.52	215	16,299,382.37
Davidson	122	4,972,646.11	563	6,919,371.05
Davie	134	24,010,891.68	207	46,169,047.22
Duplin	25,241	28,315,030.71	25,794	35,728,796.61
Durham	845	107,901,511.03	7,565	924,283,093.37
Edgecombe	12	638,220.94	27	1,041,930.94
Forsyth	11,999	28,691,951.63	13,484	68,170,205.79
Franklin	44	2,103,837.82	55	5,807,499.93
Gaston	36	875,975.84	208	2,527,928.06
Gates	3	75,175.00	3	75,175.00
Graham	7	48,725.14	38	1,445,270.62
Granville	99	2,426,193.26	969	13,502,979.29
Greene	-	-	5	38,112.62
Guilford	1,137	105,437,530.23	3,902	217,735,667.79
Halifax	8	164,475.85	44	662,088.07
Harnett	48	13,237,208.15	78	15,126,782.94
Haywood	12	117,293.65	396	10,333,537.87
Henderson	42	6,563,130.66	507	8,300,597.97
Hertford	1	4,170.00	18	42,098,617.30
Hoke	448	3,718,976.28	857	19,884,675.06
Hyde	6	602,951.09	43	5,474,187.56

2010
NC Counties
DoD and Total Federal Contracts

County	DoD Contract Action	DoD Total Dollars	Federal Contract Actions	Federal Total Dollars
Iredell	127	13,658,516.74	207	14,178,531.37
Jackson	7	100,927.14	24	930,931.28
Johnston	320	1,665,886.53	744	5,037,905.85
Jones	11	147,004.67	13	186,192.67
Lee	32	361,456.35	66	962,099.83
Lenoir	35,223	66,307,404.94	35,588	67,205,259.91
Lincoln	15	1,492,412.39	392	1,868,899.83
Macon	40	3,336,514.10	206	5,807,789.58
Madison	-	-	3	152,135.00
Martin	2	6,037.68	3	10,585.18
McDowell	8	20,223.79	42	491,581.65
Mecklenburg	14,167	88,392,776.82	17,531	132,654,414.16
Mitchell	5	49,230.00	14	899,628.28
Montgomery	17	33,649,025.05	52	34,450,881.33
Moore	57	11,608,589.66	69	12,104,730.33
Nash	932	15,390,308.95	992	16,051,106.14
New Hanover	321	27,246,031.16	1,363	56,463,612.27
Northampton	-	-	6	4,085,542.94
Onslow	3,867	899,277,160.66	4,160	903,216,827.76
Orange	64	3,498,387.36	736	50,343,797.71
Pamlico	2	772,465.36	20	1,204,290.76
Pasquotank	34	6,862,962.09	763	96,609,161.26
Pender	77	249,505.64	425	553,211.01
Perquimans	2	-203,782.85	3	-183,201.09

2010
NC Counties
DoD and Total Federal Contracts

County	DoD Contract Action	DoD Total Dollars	Federal Contract Actions	Federal Total Dollars
Person	26	29,910,379.06	27	29,910,379.06
Pitt	3,388	11,149,309.68	6,017	15,253,111.33
Polk	-	-	-	-
Randolph	54	17,211,693.88	646	22,970,034.77
Richmond	7	50,315.00	41	2,111,915.24
Robeson	2	11,324.90	200	3,334,491.97
Rockingham	67	96,218,382.23	217	101,896,369.57
Rowan	301	1,677,159.52	1,413	55,563,551.31
Rutherford	24	675,873.00	394	814,436.80
Sampson	82	870,508.18	2,047	1,100,455.63
Scotland	6	49,194.60	12	106,660.60
Stanly	29	823,746.70	49	899,179.44
Stokes	-	-	15	85,221.98
Surry	32	474,574.27	52	795,454.92
Swain	-	-	459	2,582,356.37
Transylvania	5	17,686.84	837	13,039,475.89
Tyrrell	-	-	32	910,461.88
Union	482	14,022,404.78	595	21,533,451.82
Vance	260	210,363.82	339	11,267,280.33
Wake	1,869	182,304,931.35	4,778	316,776,072.28
Warren	-	-	-	-
Washington	3	12,330.49	93	37,564.84
Watauga	4	18,819.78	39	1,159,886.30
Wayne	5,788	74,178,892.45	6,233	75,289,332.68

2010
NC Counties
DoD and Total Federal Contracts

County	DoD Contract Action	DoD Total Dollars	Federal Contract Actions	Federal Total Dollars
Wilkes	28	1,333,655.31	792	1,720,349.92
Wilson	435	13,463,597.47	492	14,724,635.61
Yadkin	14	389,889.82	15	409,081.02
Yancey	3	398,364.16	780	1,761,664.67
Total	120,458	3,595,941,608.32	166,419	5,381,653,513.38

DEPLOY

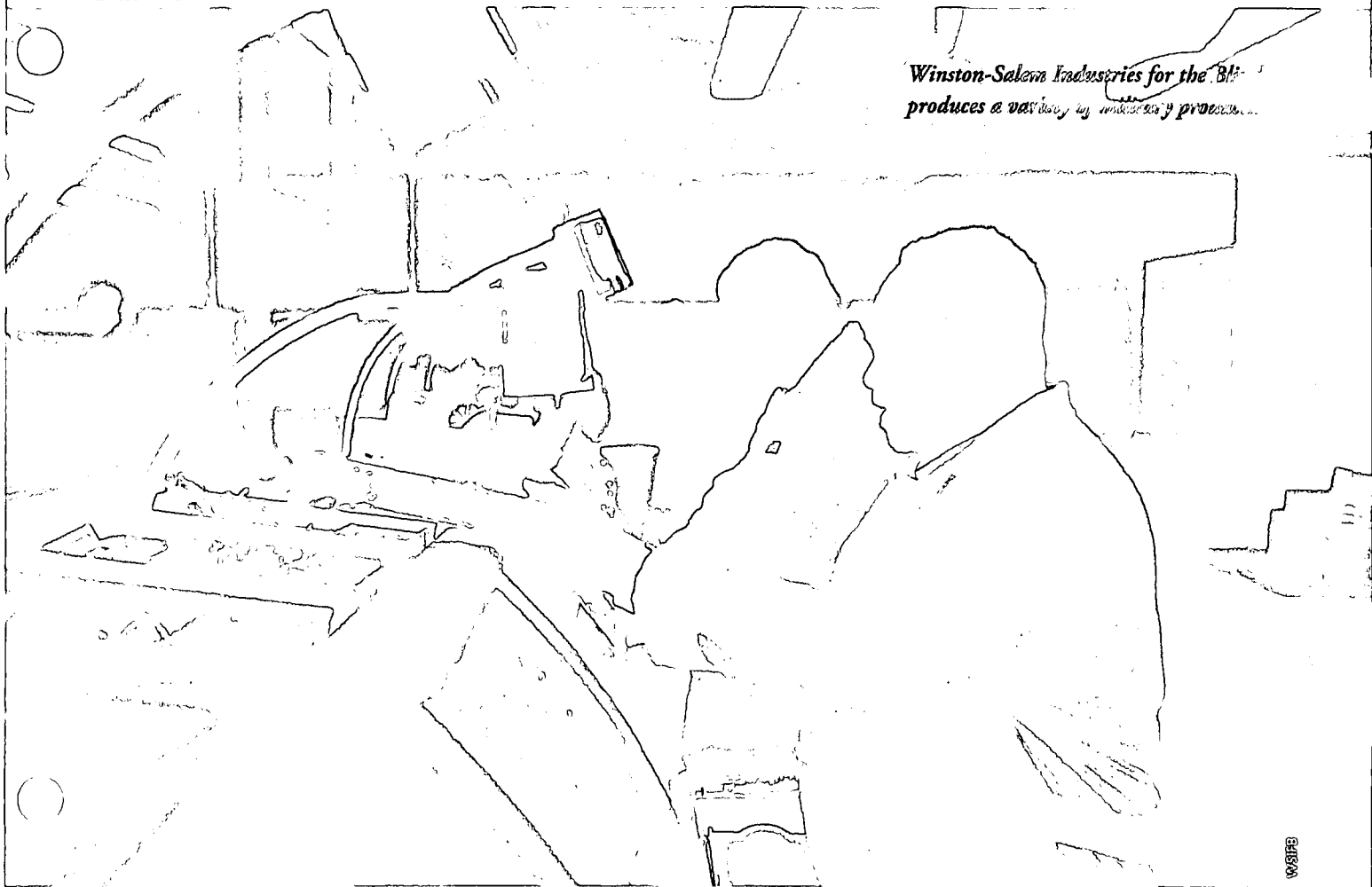
★ A Guide to Military Business in N.C. ★

*Billions in defense dollars flow to businesses across the state.
Here's how several answered the call to arms.*

With seven major installations employing nearly 160,000 military and civilian personnel and a direct statewide economic impact projected to hit \$26.3 billion in 2013, the military is big business in North Carolina. Tar Heel companies scooped up more than \$4 billion in military contracts in fiscal 2009, according to the N.C. Military Business Center. And there's more business out there. While North Carolina has the fourth-largest active-duty military population in the country, it ranks 26th in the value of military contracts awarded. The major bases are in the eastern part of the state, but business opportunities stretch from the mountains to the coast. Most contract

opportunities are in three areas: manufacturing, services and construction. This guide profiles North Carolina companies doing business in each of those sectors, from a large contractor that forged an innovative partnership to take advantage of contracting rules favoring small businesses to a small, veteran-owned manufacturer that partnered with a nonprofit corporation to make T-shirts and other products for U.S. troops. In addition, Maj. Gen. Carl Jensen, commander of Marine Corps Installations East at Camp Lejeune, offers advice on how to do business with the military. *BUSINESS NORTH CAROLINA* thanks the sponsors and partners that made this special section possible.

Winston-Salem Industries for the Blind
produces a vast array of military products.



North Carolina Factories Earn Their Stripes

*Tar Heel manufacturers crank out an army of products
from parachutes to plane parts.*

After nearly 30 years in the Army, Joe Adamczyk had the plans and work ethic to launch a new business. What he lacked, though, was the expected source of his new company's income: a military contract.

For months, beginning in 2007, Adamczyk had called contacts, searched for opportunities and submitted bids soliciting work for his company, SDV Command Source LLC of Spring Lake, outside Fayetteville. He had started the company intending to manufacture eyeglasses for the Department of Veterans Affairs,

using a workforce composed mostly of disabled veterans and the blind, but opportunities were scarce. He was frustrated. So the retired colonel switched tactics. "Nobody likes a one-trick dog," he says. "It was clear we'd have to adjust our focus or fold the tent."

In partnership with Winston-Salem Industries for the Blind, which had experience making uniforms and equipment, he submitted a bid to make T-shirts for the Coast Guard. SDV Command Source won that bid in 2009 and has since built on that success. Today, Adamczyk's company has 28 employees and can expand to about

70 with temporary workers. The company is working on about five contracts across three service lines — making and fitting eyewear, making uniforms, and storing private vehicles for soldiers deployed to Iraq and Afghanistan — and has several other proposals out.

After that frustrating start, Adamczyk says he now feels SDV Command Source is living up to its mission to employ veterans and the blind while fulfilling important orders for the government. “When you see some of the folks we’ve been able to employ just being able to work and feel good about themselves and feel like they’re contributing as responsible citizens, that’s pretty rewarding,” he says.

While some companies find the prospect of working with government regulations daunting, Adamczyk’s experience shows that perseverance, flexibility and forging alliances can lead to new opportunities. Many North Carolina companies — from upstarts such as SDV Command Source to more-established firms — supply materials or services to the armed forces.

In 2009, the most recent year for which statistics are available, the Department of Defense spent about \$4 billion on contracts with Tar Heel companies, up 10% from the previous year, according to the N.C. Military Business Center, a division of the N.C. Community College System that helps businesses win federal contracts. About 5,000 companies in the state won at least one military contract in 2009.

Despite concerns over the future of defense spending, experts say North Carolina businesses should continue to have strong opportunities to win military work because Fort Bragg and Camp Lejeune are expanding. The U.S. Army Forces Command (FORSCOM),

which oversees 21 installations and roughly 80% of the Army, is scheduled to move to Fort Bragg in Fayetteville from Fort McPherson in Georgia in September. That means more top generals and other decision-makers will be closer to North Carolina businesses. And Camp Lejeune in Jacksonville — already the biggest Marine Corps base on the East Coast — is undergoing a construction boom to add thousands more Marines.

Scott Dorney, executive director of the N.C. Military Business Center, says he and his colleagues at 13 offices throughout the state spend a lot of time correcting misperceptions about military contracting. One of the top myths, Dorney says, is that the military presence only benefits communities around military bases. Although construction and service providers tend to be concentrated near bases, goods are manufactured throughout North Carolina. And it’s not just major defense contractors producing weapons systems.

“People tend to think it’s all about tanks, planes and submarines,” Dorney says. “That’s not what it’s about. They buy everything. Our installations are cities that buy everything that cities buy.” He used to joke that the military did everything except run hair and nail salons — until Fort Bragg sought to put a day spa on base and requested bids for spa services. “I can’t even use that one,” he says. Businesses that sell to the military include pharmaceutical companies in Research Triangle Park, engine suppliers near the motorsports shops north of Charlotte, machine shops in the Triad and solar-panel makers in Asheville.

N.C. BASES ATTRACT BIG-TIME CONTRACTORS

North Carolina isn’t known nationally as a defense industry hub, but that hasn’t stopped some of the country’s best-known defense contractors from setting up shop here. Some of the makers of major weapons systems, such as Lockheed Martin Corp., Northrup Grumman Corp. and Raytheon Co., have a presence in North Carolina. Most aren’t manufacturing here but rather maintaining offices that can support operations at major North Carolina military installations, such as Fort Bragg, Camp Lejeune and Marine Corps Air Station Cherry Point.

Take Booz Allen Hamilton, a major management and technology consulting firm. The company, headquartered in McLean, Va., has annual revenues of more than \$5 billion and employs more than 25,000 throughout North America and overseas. In North Carolina, it has two facilities: a small, 25-worker office in Durham serving clients in Research Triangle Park, such as the National Institutes of Health and the Environmental Protection Agency, and an office at Fort

Bragg in Fayetteville expected to have nearly 100 workers by fall.

The work varies, says Matt Urda, a principal in the Fayetteville office. There are engineers who design and maintain data centers, operations personnel who devise simulation-oriented training and analytical teams that develop war gaming. The work is a mix of long-term assignments, such as troubleshooting information-technology network problems, and shorter projects, such as designing a new data center.

Many of the larger defense contractors with locations in North Carolina have service and consulting divisions working at major bases, says Scott Dorney, executive director of the N.C. Military Business

Center. Dorney says their presence benefits the state because smaller companies can develop relationships leading to more subcontracting opportunities. And developing a critical mass can help attract even more defense companies.

Major Defense Contractors in North Carolina

- The Boeing Co. has a service-contracting office in Fayetteville and a facility in Havelock that handles maintenance and repairs for aircraft at Cherry Point.
- General Dynamics Corp. The company’s armament and technical products division is headquartered in Charlotte, where it also has a plant being divested in the summer to Chemring Group PLC of London.
- Goodrich Corp. The aerospace company, headquartered in Charlotte, derives about 25% of its revenue from defense. It also has a global customer service center in Monroe.
- L-3 Communications Corp. has an office in Fayetteville focusing on communications and staffing contracts.
- Lockheed Martin Corp. runs a truck maintenance depot at Fort Bragg. It also does systems maintenance.
- Northrup Grumman Corp. has a services office in Fayetteville.
- Raytheon Co. has a logistic-services office in Fayetteville.

Sources: Company websites, N.C. Military Business Center

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- MatchForce.org connects NC businesses to government contracts & subcontracting opportunities

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- | | |
|----------------|--|
| August 9, 2011 | DEFENSE TRADE SHOW
Fayetteville Technical CC
Fayetteville, NC |
| Fall 2011 | DEFENSE CONTRACTOR ACADEMY
(more info coming soon) |
| October 2011 | 6TH ANNUAL MILCON SUMMIT
Wilmington Convention Center
Wilmington, NC |
| Winter 2012 | LOGISTICS SERVICES SYMPOSIUM
(more info coming soon) |

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The North Carolina Military Business Center (NCMBC) is a component of the NC Community College System, headquartered at Fayetteville Technical Community College.

DEPLOY:

Military work has also served as a vital lifeline for traditional North Carolina manufacturing industries, such as furniture and textiles. Although most of the commercial manufacturing of those products has moved to countries with cheaper labor, U.S. laws require military purchasers to buy most clothing and certain other products from American companies.

In textiles, "everybody's got something that goes to the military," says Ron Sytz, president of Beverly Knits Inc., a 175-employee Gastonia company that knits yarn into fabric. Beverly Knits doesn't work directly for the military, but some of its customers convert its fabric into clothing such as long underwear supplied to the military. Sytz says the new revenue stream from its military business was crucial in helping the company diversify over the last decade from apparel fabric into products such as automotive and medical fabrics. About one-third of its apparel business goes toward military uses.

Policymakers in North Carolina have actively encouraged businesses to consider submitting bids on military contracts, and they've also aggressively recruited military contractors to come to the state. By encouraging development of a cluster of defense-related companies, the thinking goes, even more companies will move and grow here.

"It's a growth industry," says Dale Carroll, North Carolina's deputy commerce secretary. "The reality is that we live in a dangerous and complicated world. The military is going to continue to be a priority for our country. ... It's a way of diversifying the business for North Carolina companies that employ our citizens."

Plenty of North Carolina businesses make products exclusively for military clients. In Asheville, Mills Manufacturing Corp. is one of just a handful of parachute makers in the country. The company, with 220 workers, has been in business since 1935 and has built the relationships and know-how to win contracts for each of the armed services, says President John Oswald. Mills is working on six major contracts, plus six or eight smaller ones. "It can be daunting on the surface, but there are a tremendous amount of resources available," he says. "It's not for everybody."



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MANUFACTURING

One of the main differences is how the military selects vendors. With private companies relationships are vital and purchasers have a freer hand. With the military, purchasers hone in on price and past performance. "The relationship you have, while that's good, it doesn't go into the buying decision," Oswald says. "They have to go by what they see on paper. Sometimes it's hard to determine what the best value is."

For instance, soldiers might prefer the quality of Mills Manufacturing's parachutes to those made by competitors. But when Army purchasers go to buy parachutes, they can't factor in that preference. "There can be a disconnect between who's buying and who's using," Oswald says. But that's just the way it is, so companies doing business with the military need to understand that. He recommends talking with small-business specialists — just about every purchasing unit and major base has one — and networking with others in the same industry to understand how the process works.

Getting buyers familiar with a company's capabilities is especially important, experts say. Buyers sometimes approach companies to submit bids on hard-to-find items and services. And some small-money work — typically under \$25,000 — requires only that purchasers call around and check prices with three businesses, so it helps if they know who can provide the goods.

For SDV Command Source that familiarity has been especially helpful. Purchasing rules require military buyers to set aside a portion of contracts for small businesses, as well as for small businesses owned by women or by service-disabled veterans such as Adamczyk. "We've found that it's not as easy as it sounds for agencies to meet that statutory requirement," he says. "It's a function of finding companies that can perform and meet the requirements they're looking for."

He says he's proud of his company's record, especially of employing people with disabilities, who make up about 90% of his workforce. SDV Command Source doesn't receive any special contract consideration because of the composition of its workforce, but Adamczyk says it's the right thing to do. "That's what our mission statement says, and we've stayed true to that." ★



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Creative partnership wins an architect and construction company a seat at the military's table.

Marty Moser does a lot of driving as the head of Barnhill Contracting Co.'s building division. The Tarboro company has projects across the state, and Moser's path often takes him past military bases.

His eyes are on the administrative buildings, the barracks, the training centers. "I want to see our company banner on one of those buildings more than anything," he says. "And it's going to happen."

Barnhill is one of a growing number of contractors drawn to the military-construction market, which is particularly robust right now. The Defense Department is in the middle of a \$7 billion blitz in North Carolina, a wave of spending and building that began about three years ago, according to the N.C. Military Business Center in Fayetteville. Base realignments and closures elsewhere are expanding military operations in the state, with bases gaining new military units, including two major Army commands.

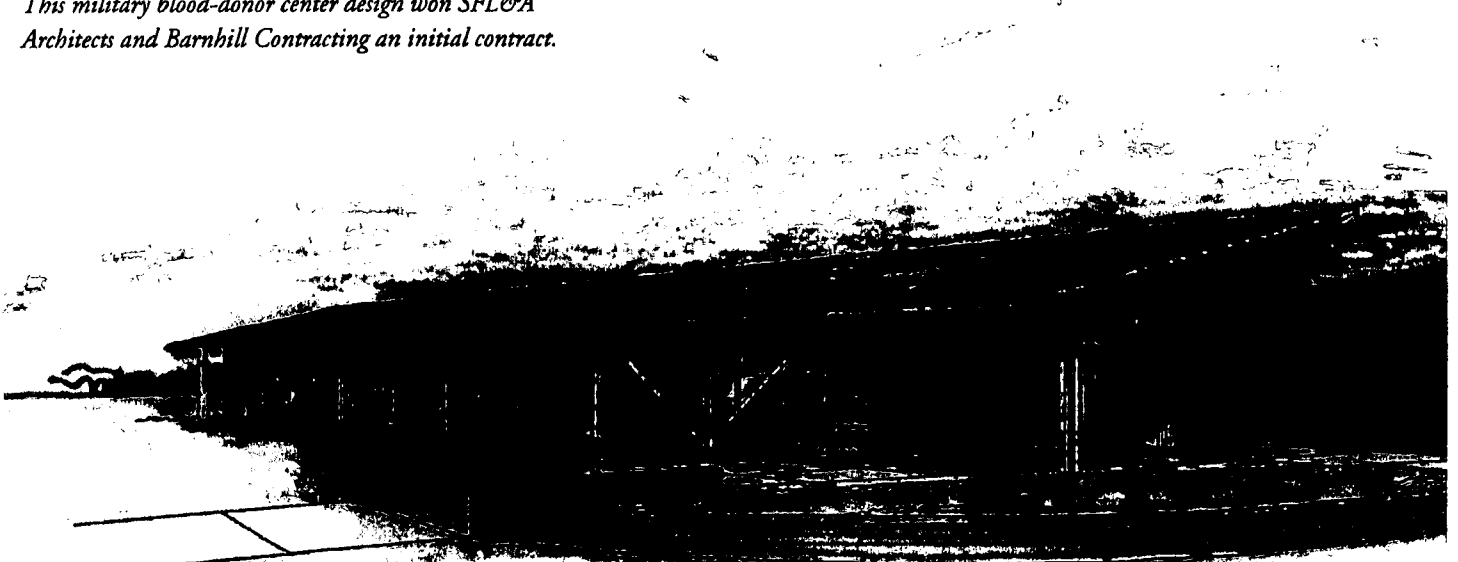
Barnhill has long provided paving and grading services to the military but hadn't served as a prime general contractor in its vertical building business. "Looking at our company's footprint ... it very

closely matches the military," he says. "From a market standpoint, it made sense to say, 'Hey, our footprint's here, they have a need for construction, let's look at how we can get in.'" Barnhill began bidding on military jobs in 2007 but soon hit roadblocks.

"They are looking to hire companies that have experience working with the military. If you haven't worked as a prime [contractor] and can't show all these barracks or training facilities, they see that as a negative," Moser says. "We had built dorms for UNC Chapel Hill and training facilities for municipalities and private clients. A barracks and a dorm are similar, but in the eyes of the military, they are not the same thing."

Barnhill had to get creative. The company had long worked with Fayetteville-based SFL+A Architects PA on schools and other projects. It's typical for a contractor to be the lead in those partnerships. But the team switched roles, with SFL+A becoming the lead contractor on military proposals. SFL+A qualified as a small business under federal rules, with annual revenue of less than \$30 million. Putting the architectural firm in the lead role enabled both

This military blood-donor center design won SFL+A Architects and Barnhill Contracting an initial contract.



to take advantage of the government's mandate to award a portion of its contracts to small businesses.

"We're all about sustainability and doing high-performance buildings," says Robbie Ferris, SFL+A's CEO and president.

Getting creative with the way they bid was only the first step for Barnhill and SFL+A. The Defense Department uses a system of "multiple-award task-order contracts" to short-list companies for a series of projects, says Scott Dorney, executive director at the N.C. Military Business Center, a business-development organization of the state community college system.

In these contracts, or MATOCs, as the Army calls them (the Navy's term is multiple-award construction contract), contractors offer designs for a seed project. The military picks a handful of contractors for a bundle of projects, giving one the first building and short-listing the others for future jobs from the bundle, Dorney says. "You've got to get in early. A lot of our contractors in North Carolina weren't used to that."

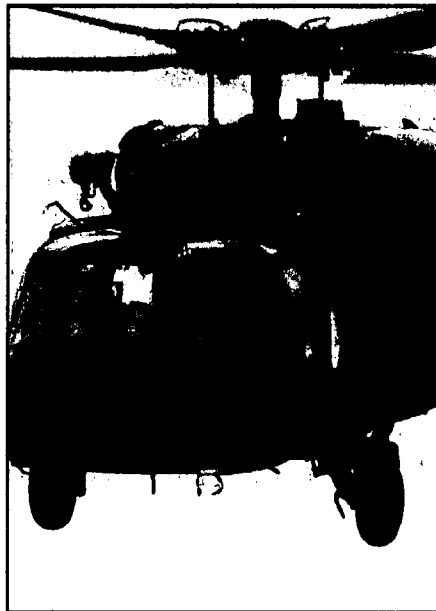
Early on, Ferris says, "we didn't understand all the hurdles involved in getting work. It took us about a year and a half to understand that." And learning to speak the language of military construction takes time.

"It's a huge investment," Moser says. "It takes a lot of time to prepare proposals and price proposals. You're talking multiple

engineers, multiple estimators, project coordinators, project managers." The tens of thousands that go into a proposal and design might net nothing. Or, in the case of this team, it might finally, after four years of work, win a seat at the table. After designing a Fort Bragg administrative headquarters building and a military blood-donor center for Fort Benning, Ga., SFL+A and Barnhill were awarded two MATOCs at the end of last year, one for work at Fort Bragg and one for work in Georgia and South Carolina.

The terminology can be confusing. The award just means they're on the short list to

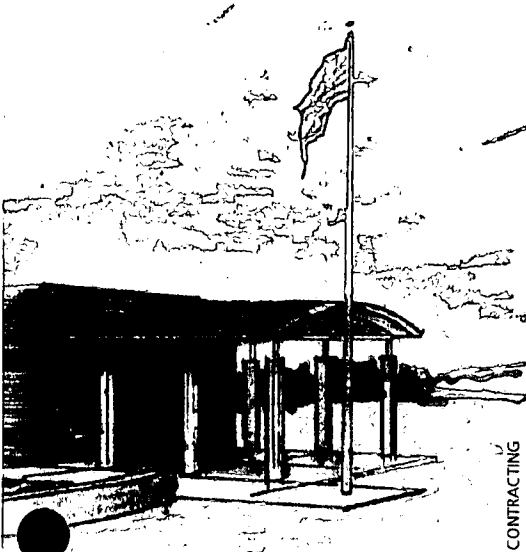
compete for future projects in that MATOC. The maximum value of all the contracts in each of the two task-order contracts is \$500 million, Moser says. No one company is likely to scoop up all of that money; instead the jobs are likely to go to several on the short list. Typical projects for which Barnhill and SFL+A are creating proposals range from \$5 million to \$35 million. "It's a long-term approach that requires perseverance and a certain level of patience," Moser says. "But if you pursue it with the right team members, the opportunities for success are there." ★



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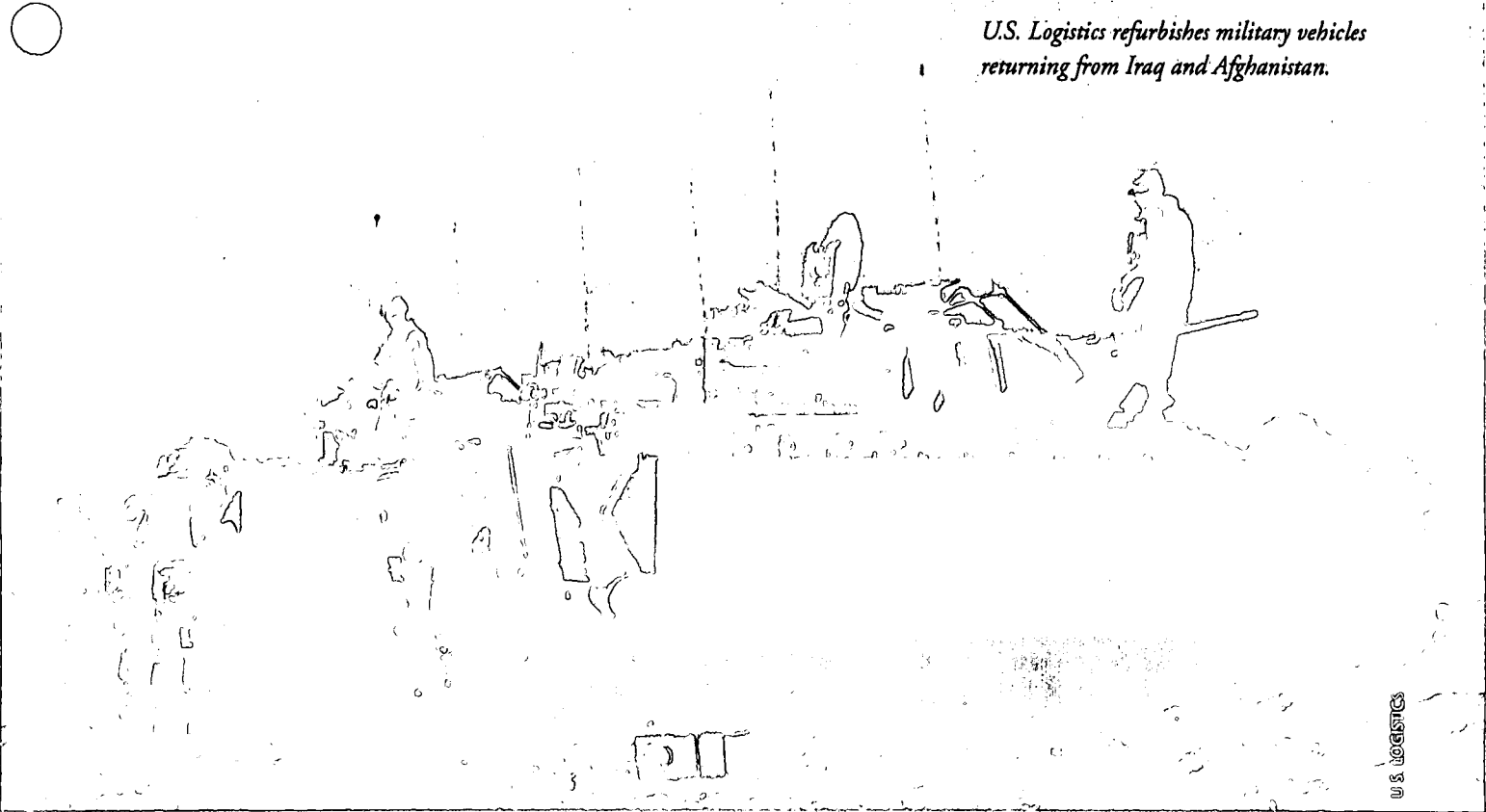


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On Aug. 19, 2010, nine time zones and a world away from U.S. Logistics Inc. headquarters in Fayetteville, the end of American combat operations in Iraq meant more business opportunities in North Carolina.

Thousands of Army and Marine Corps vehicles would soon return to the United States — along with the dust, dirt and damage accumulated during Operation Iraqi Freedom.

These vehicles enter the military logistics system for shipment to a maintenance and repair facility in the states, where they are readied for the next deployment and returned to their military units. Transporting and repairing vehicles and aircraft coming home from Iraq and Afghanistan is worth millions to North Carolina companies, says Bill Greuling, business development manager for the N.C. Military Business Center.

Military logistics is challenging and demanding work, especially for a Department of Defense contractor providing direct field support for combat operations. "Because lives are at stake, this is a high-wire act with no room for failure," Greuling says. Financing also can be a major issue: Contractors aren't paid until after the work is completed, but they must buy parts when they win the contract.

If anyone understands those challenges, it's retired Army Maj. Gen. Chuck Swannack, a Winston-Salem native and president and CEO of U.S. Logistics, since 2009 a wholly owned subsidiary of Ranger International Services Group Inc. in Greenville, S.C. Most North Carolinians probably know him best as former commander of the 82nd Airborne Division at Fort Bragg and deputy commander of the 18th Airborne Corps.

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U.S. Logistics' primary work is maintaining, modifying and resetting wheeled and tracked vehicles. It also washes and controls corrosion for Air Force and Army aircraft. Additional services include technical staffing, base logistics, warehouse support, inventory control, program and project management and administrative and human-resources management services, primarily at military facilities.

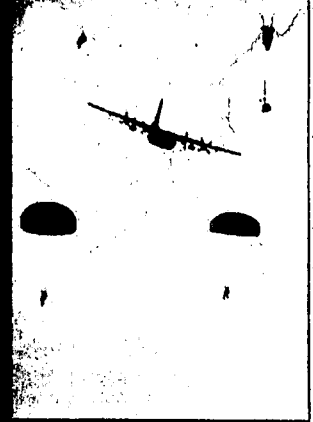
U.S. Logistics was founded in 2001 to provide outsourced technical staffing at Fort Bragg, then broke its maintenance teeth on medium tactical vehicles. Work continues today on Army and Marine vehicles as diverse as the Bradley Fighting Vehicle, Humvees, tanks and mine-resistant ambush-protected vehicles, known as MRAPs. There's big money at stake: One of the company's current Marine Corps' vehicle-maintenance contracts is worth up to \$100 million. The company employs more than 200, including air-conditioning mechanics, mobile-equipment metal mechanics, welders, electronic technicians and line supervisors under the contract.

Company revenue has grown 12% over the last two years; the number of employees increased from 444 at the end of 2009 to 538 at the end of last year. Today, U.S. Logistics has 600 employees in eight countries and 38 states, including 200 in war zones. Finding skilled employees willing to live and work overseas is not an unusual business challenge; throw in the risk of bombs and bullets and you have an entirely different problem to overcome. The company has three recruiters who spent decades in the military and target retired military members for their workforce.

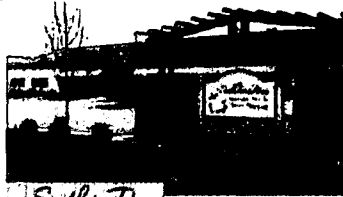
The competition for lucrative military logistics contracts continues to grow: "I don't lose sleep over the coming decline in the military budget because this means the Army and Marines will need to spend more dollars to maintain their current equipment as fewer vehicles will be procured," Swannack says. "But this anticipation of more maintenance and repair work will lead to more competition, and we are already seeing new companies enter our markets very aggressively." The company will have to "balance the need for competitive pricing against holding the line on profit margins that are already thin," he adds. ★

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- Registration locations: Tony Rand Student Center at 2201 Hull Road campus, Spring Lake campus, Fort Bragg Soldier Development Center

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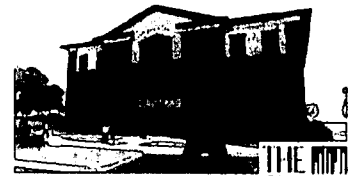


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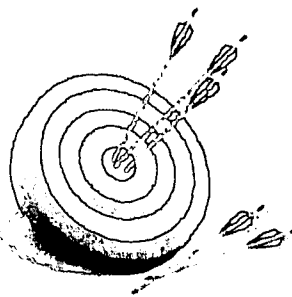
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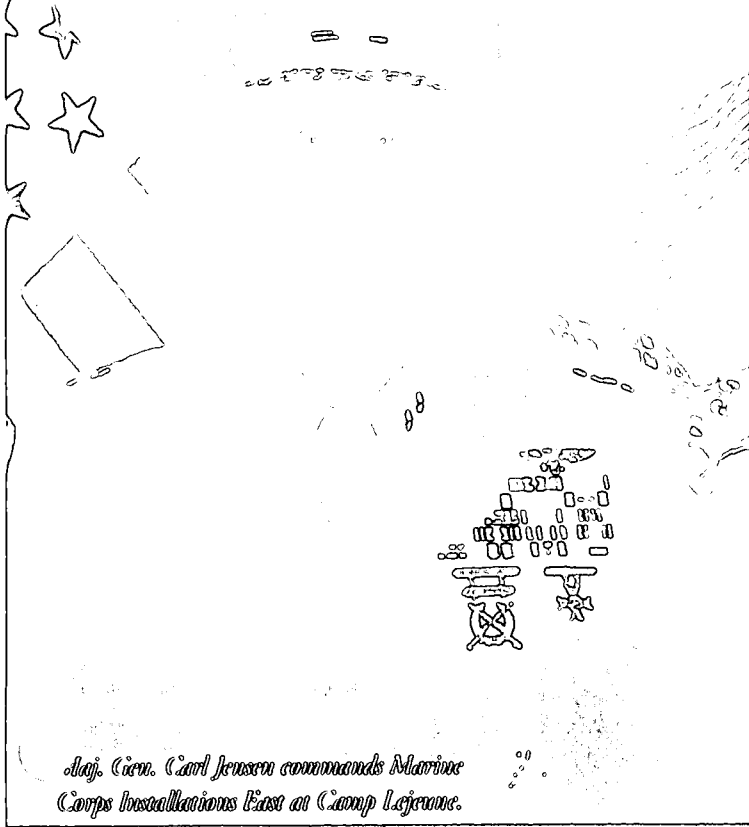
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Maj. Gen. Carl Jensen commands Marine Corps Installations East at Camp Lejeune.

The Military Is Ready To Do Business

Navigating the Pentagon's bureaucracy is a battle in itself, but the spoils of war are worth it.

What do North Carolina businesses seeking military contracts need to know?

They should know their military is as interested in doing business with them as they are with us. We know the government's procurement process can be daunting, whether it's the unexpected amount of paperwork, the bidding process itself or something as simple as, "Who do I ask for help?" Making matters worse, it's not unusual for the rules to change every few years. It's not hard to understand initial frustrations with the system and the apparent incongruity with a military that says, "We welcome business." Our challenge is to find ways to reach out to businesses and help them navigate the maze because ultimately our success depends on their success.

What's the biggest misperception small-business owners have about doing business with the military? What's the truth?

Many small-business owners believe they can't compete with large defense contractors and that there's no room for them at the table. The truth is we're legally required to utilize small and economically disadvantaged businesses as much as possible. There are numerous

programs to facilitate small businesses and ensure they have a seat at the table, and frankly, it just makes good sense to actively support the many small businesses that contribute so much to the nation's economy. Besides, we're the Marine Corps. We love underdogs.

What's the biggest question you hear when you interact with North Carolina business owners?

Well, we certainly field quite a few questions about buying processes and red tape initially, but then the conversation invariably changes to something more along the lines of, "What can we do to help our military?" The second biggest concern we hear is that businesses want access and a fair opportunity to compete. We understand that and intend to deliver.

In what ways is the military, and Marine Corps Installations East in particular, reaching out to North Carolina or local businesses?

An important aspect of my job is to demystify Federal Acquisition Regulation System dictates, as well as Marine Corps buying processes. That's a tall order, but I have professionals dedicated to

North Carolina has the 4th largest military presence in the nation

Williams Mullen Knows NORTH CAROLINA

that task, including members of my contracting offices and my small-business professionals. When they're not hosting outreach events, they're participating in regional trade shows and outreach events or partnering with local chambers of commerce.

What contracting opportunities do you see on the horizon?

Given our current operational tempo, Marines and sailors are either forward-deployed, have just returned or are prepping to go back into the fight. Directly or indirectly, all three activities necessitate purchasing. Here in North Carolina, the Marine Corps is in the midst of an unprecedented boom in military construction to better support our operating forces and their families and to address traffic issues. In fiscal year 2010, this activity generated more than \$5 billion here in North Carolina alone.

What resources are available to help small businesses compete for military contracts?

Inside our installations we have contracting officers and authorized purchase-card holders. They represent the buying community of the Department of Defense and ultimately need to be the target of any marketing efforts. Our small-business specialists work closely with them and help facilitate the use of small businesses, whenever appropriate. These specialists are also available to explain procedures and opportunities to businesses of any size and work closely with other federal agencies, such as the U.S. Small Business Administration, the U.S. Chamber of Commerce and the U.S. Veterans Administration to maximize business opportunities. Businesses are encouraged to take full advantage of the many federal and state initiatives, such as the N.C. Military Business Center, the N.C. Defense Business Association and the Small Business Technology Development Center. Additionally, we partner with the state's excellent university and community college systems.

Anything you would like to add?

Although we currently live in dynamic economic times, many opportunities remain, and we'll continue to be a reliable economic engine into the foreseeable future. ★



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- Small business matters and other set asides
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- Export and corporate compliance matters
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- Intellectual property
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North Carolina General Assembly
House of Representatives
State Legislative Building
Raleigh 27601-1096

October 25, 2011

MEMORANDUM

TO: Members of the House Select Committee on Military Affairs
FROM: Representative Phil Shepard, Co-Chair
Representative Bill Cook, Co-Chair
SUBJECT: House Select Committee on Military Affairs Meeting Notice

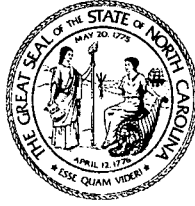
DAY	DATE	TIME	ROOM
Monday	November 14, 2011	2:00 p.m.	415, LOB

Parking for non-legislative members of the committee/commission is available in the visitor parking deck #75 located on Salisbury Street across from the Legislative Office Building. Parking is also available in the parking lot across Jones Street from the State Library/Archives. You can view a map of downtown by visiting <http://www.ncleg.net/graphics/downtownmap.pdf>.

If you are unable to attend or have any questions concerning this meeting, please contact Amanda Vuke at cookla@ncleg.net or 919-733-5906.

cc: Committee Record X
Interested Parties X





HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

AGENDA

November 14, 2011
Room 414, Legislative Office Building
2:00 PM

WELCOME AND INTRODUCTION

Rep. Bill Cook, Co-Chair
Rep. Phil Shepard, Co-Chair

- Military Summit Overview
COL (Ret.) John Nicholson, USMC
Military Affairs Advisor, Office of the Governor
- NC Advisory Commission on Military Affairs
The Honorable Alfonzo King, Mayor, City of Goldsboro
Chairman, NC Advisory Commission on Military Affairs
- Maintaining the Military in NC
MG (Ret.) Hugh Overholt, USA
Ward & Smith, P.A.
- Julie Fulton, School Liaison Officer
Camp LeJeune
- Emily Dickens, Director
Community and Government Affairs
Fayetteville State University

Committee Discussion

Instructions to Staff

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

Monday, November 14, 2011

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Julie Fulton	USMC K-12 School Liaison Camp Lejeune, NC 28542
Emily M. Dickens	Fayetteville State University 1200 Murchison Rd, 28301
AL KING	NCCM (CHIEF) GOLDSTON, NC
Deug Phelps	N LACMA / National Guard
GENE D. KENT	NC ACMA
HUGH OVERHOLT	INVITE
John Nicholson	Governor's Office
TOM BOWLIN	NC NATIONAL GUARD
Sean Moser	NC National Guard
Joe Ramirez	Marine Corps Liaison Government Affairs
Michael Archer	Legal Assistance Director Marine Corps Installations East

MINUTES
HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS
MONDAY, November 14, 2011
2:00 p.m.
Room 414, Legislative Office Building

The House Select Committee on Military Affairs met on Monday, November 14, 2011, at 2:00 p.m. in Room 414 of the Legislative Office Building in Raleigh, North Carolina. In attendance were Representative Cook (Co-Chairman); Representative Shepard (Co-Chairman); and Representatives Cleveland, Horn, Torbett, Bell, Parfitt, Martin, and Sanderson. Hal Pell (Research Staff), Sara Kamprath (Research Staff), Kristine Leggett (Fiscal Staff), and Committee Assistants Pam Pate and Amanda Vuke were present. Also present were House Sergeant-At-Arms Staff Reginald Sills and John Brandon.

Chairman Cook Recognized House Sergeant-At-Arms Staff Reginald Sills and John Brandon.

He then asked for a motion to approve the minutes from the first meeting held on September 29, 2011. Representative Torbett moved that the minutes be approved. The motion was seconded and then the motion carried unanimously on a voice vote.

Chairman Cook called the meeting to order and introduced himself and then asked the committee members to introduce themselves.

Presentations

COL (Ret.) John Nicholson, USMC

Military Summit Overview

COL (Ret.) John Nicholson, USMC, and Military Affairs Advisor to the Governor was introduced and asked to present on the North Carolina Regional Military Summits. His PowerPoint is included as 11/14/11 (Attachment#1). COL Nicholson said the Governor directed a review/assessment of the current state of military and their surrounding communities through a series of regional summits. The summits were designed to be informational/fact finding meetings to allow the Governor to hear from the respective local community and military leadership on how their communities have progressed since the last round of BRAC and/or service specific directed growth in NC.

Chairman Cook asked for questions. Representative Horn asked about the 26.9%, which is reported by the COL as the raw number of unemployment percent for the military folks re-entering the work force. He wondered if there were available jobs in NC to the former military, if those who served had the needed skillset, and if they were relocating outside of the state to find employment. The COL Clarified that the number he reported was an estimated national number and not NC specific.

Representative Shepard said a lot of 18-24 year-olds are getting out and not going to work because they choose instead to go to college.

Hal Pell stated that the ESC should know how many mark the veterans block when applying for unemployment.

Representative Horn asked if we can we anticipate the impact in North Carolina with the drawdown in Iraq. COL Nicholson said he had not seen any official statistics on the matter.

Representative Torbett asked if there was a timeline being considered for the transportation re-alignment to deliver to Wilmington from Charleston. COL Nicholson said it was being analyzed, but he did not have a particular timeframe available.

Representative Cleveland why the Military was looking at Pre-K, as there had been a boom of facilities built on base in the past five years. Seymour Johnson AFB, were the ones pounding this issue the most, but no specific answer was given other than stating that it is obviously something the military wants.

Representative Martin said childcare was important considering the children's parents get called away in the Guard and in the Reserves, and also overseas on active duty. Childcare facilities receive funds on post from DOD but the private childcare not on post in NC are not receiving these fund because to they are having trouble with certification. Work is being done on the certifications and the DOD is saying if NC Government okays it, then they are ok with the certification. These are funds that can be spent in North Carolina.

Representation Cook told Representation Martin we appreciate your service.

Representative Martin said we could pat ourselves on the back at least in the House about the job issues; it passed with one no vote. Service members and their spouse coming off active duty can use their training to let their job skills count toward their profession licenses. We need to talk with our buddies in the Senate to get it passed.

NC Advisory Commission on Military Affairs

The Honorable Alfonzo King, Mayor, City of Goldsboro

Chairman, NC Advisory Commission on Military Affairs

Chairman Cook recognized The Honorable Alfonzo King, Mayor of City of Goldsboro, and Home of Seymour Johnson Air Force Base. He was here to present the on behalf of the Military Advisory Council. He said we were like a family in Eastern N. C. His power point presentation is attached to these Minutes as (attachment # 2). He went on to explain how his job is to grow and protect what we have. We are in a good position for downsizing. We are working together in partnership for our mutual benefit. In order to attain what we have, in the City of Goldsboro, we watch for encroachment.

Our Strategic Plan of the Advisory Commission

1. Military Base Sustainability
2. Economic Development
3. Quality Of Life and Community Affairs

He said, "The City of Goldsboro invests their own money to keep the right to keep our military." One thing which is critical and important is the Land Use, we have to make sure we do not build in the flight pattern, we keep this clear. Military is the backbone of down East.

Questions:

Representative Martin asked the mayor about two video's a Wing Commander brought a few years ago using a about Gun Camera to show an area photograph now and two decades ago, if you wanted to expand how difficult it would be to grow.

Mayor King said he would be glad to get these photographs and we also have a tour that we use to educate community leaders. It is called "Air Force Civic Leader Flight Program." It is a once in a lifetime opportunity. It is air-to-air refueling flight aboard one of our KC-135 Stratotankers. He said he would be in touch and have a tour.

Maintaining the Military in NC

MG (Ret.) Hugh Overholt, USA

Ward & Smith, P.A.

Representative Cook introduced MG (Ret.) Hugh Overholt, and he talked on maintaining the Military in NC. He recognized his Representative, Norman Sanderson and two other judge advocates Hal Pell and Greer Martin who served honorably. He was station at Ft. Bragg, and decided to retire there. Retirement in NC is good and we want more of our military to retire in N. C. - oftentimes they will retire at their last base. Having the military here in N.C. means bread on the table for everyone. The first Economic Study Impact done by East Carolina University stated there is a twenty billion dollar industry here in the Military, making it second to Agriculture. North Carolina needs Department of Military affairs to be just like the other Department in the state.

We need to know what the plan is for the extra barracks that will be vacant when we pull out of Europe. The MG working hard to preserve the F-35B model jump jet the Marine Corp. is building; cutting this program would be the end or the air station at Cherry Point which would be devastating for many in Carteret County Representative Cleveland has been of great help with the planned budget of last year with the land use and so the military can train. Bombing areas are in jeopardy around the Post.

Representative Shepard mentioned he worked with transportation and they would tell them what ports to deport form and we want to start sending out of Wilmington instead of Charleston S.C. It is on the books for this to be changed we just need a little more work to make this happen.

Julie Fulton, School Liaison Officer

Camp Lejeune

Representative Cook introduced Julie Fulton, School Liaison Officer for our Military She gave a presentation on Regional Military Counselors, and her presentation is attached as (attachment #3). She said she had the best job ever, to work with education, children and the military in North Carolina. She supports all the military communities and surrounding areas around the bases. The main focus is the need is greater than what we have to serve them.

The following are questions from the committee:

Representative Grier Martin asked about the Interstate Compact wondering what improvement need to be made. Julie said changes need to be made pertaining to child custody while deployed, also full time public instruction is needed as they are a fantastic help.

Representative Shepard said we had been allocated three counselors in Onslow County, but two were paid for by federal grants and we would be losing these positions by the end of the year.

Representative Bell asked if other counties were also included. Duplin and Pender are included as well.

Emily Dickens, Director Community and Government Affairs

Fayetteville State University

Representative Cook introduced Emily Dickens, Director of Community and Government Affairs for Fayetteville State University. She said it was an honor to be here and thanked Representative Diane Parfitt for extending the invitation. Her power point is attached as (attachment #4). Her job is to promote partnership to work together, community working with the government. She said the University was seven miles from Ft. Bragg and told of the involvement the University has with Bragg, such as ROTC, Veteran's outreach Center and Center for Defense and

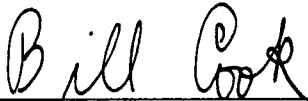
Home Land Security. She offered an invitation to all the committee so they could see their return on their investment as legislatures. She would like for the committee to hold a meeting at the university, and gave a proposed schedule.

Representative Parfitt said the tour would give you an example of what Fayetteville has done with so many different aspects not just military but business and education.

Representative Cook wondered who decided if the committee went on the tour. Hal stated it is up to the chairs. Representation Cook and Representative Shepard both said we should make the tour to Fayetteville and the Committee all agreed. A motion was made and seconded to go to Fayetteville. Hal Pell will arrange time and let us know. He said all ethics issues would be taken care of regarding lunch and other details.

Representative Shepard stated that we should go to Camp Lejeune and Cherry Point and Seymour Johnson AFB. This will be considered at a later date.

Hal Pell stated that if the committee was going to make recommendations to the short session, next to the last meeting, they have to formulate the recommendation and adopt them to be presented at session. We would have time in January and February to decide to go to other bases after we have toured Fayetteville. There being no further business. The committee adjourned.



Representative Bill Cook, Co-Chair Presiding

Representative Phil Shepard, Co-Chair



Pamela Pate, Co-Clerk

Amanda Vuke, Co-Clerk

Office of the Governor



NC Regional Military Summits

14 Nov 2011

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS



Agenda

- History / Outcome of BRAC
- Background
- What the Summits Sought to Determine
- Goal of the Summits
- Focus Areas
- Dates/Locations
- Summit Top 10 Issues
- Governor's "Taskings"
- Questions



History

- In 2003 then Lt Governor Perdue was charged with leading the state response to the pending 2005 Base Realignment and Closure (BRAC) Commission.
- She spearheaded a summit in 2003 that laid the groundwork for that response.
- The summit began a long and open dialogue to:
 - Analyze our state's military presence
 - Analyze the overall economic impact of the military and civilian employees on our bases
 - Find opportunities to grow and expand defense business within the state.



Outcome of 2005 BRAC

- US Army Forces Command
- US Army Reserve Command
- North Carolina Military Business Center
- North Carolina Military Foundation
- The General Assembly enacted the 2005 Military Support Act to support the military and their families. The act included:
 - Education reform,
 - Improvements in career certificate licensure
 - Amended the laws relating to in-state tuition for military members and their dependents.



Background

- Culmination of all BRAC requirements for NC – 15 Sep 2011.
- The Governor directed a review/assessment of the current state of the military and their surrounding communities through a series of regional summits.
- The regional summits were designed to be informational/fact finding meetings to allow the Governor to hear from the respective local community and military leadership on how their communities have progressed since the last round of BRAC and/or service specific directed growth in NC.



What the Summits Sought to Determine

- What were the positive economic growth experiences for communities in relation to:
 - The local military economy (installation, individual service member, family, etc.,) impact?
 - The local defense industry economy (companies, contractors, etc.,) impact?
 - Community partnerships related to the military and defense economy?
- What could have been done better in relation to the military and defense economy's impact on local communities?
- What are the communities' current concerns related to the local military and defense economy?
- Where do we need to go in the future to continue to ensure a robust military and defense economy?



Goal

- To obtain critical information and data from our four major military clusters and their surrounding communities in order to determine what the major economic issues and challenges are facing the state in relation to these communities.
- These issues and challenges will form the basis of the agenda for the major summit.



Focus Areas

- The primary focus of the regional summits was to examine the impact of the military and defense community on local economic development in the following subsets:
 - Economic Development
 - Infrastructure
 - Land Use Compatibility (encroachment)
 - Military Family Quality of Life



Dates/Locations

- July 28 – Havelock (MCAS Cherry Point)
- Aug 16 – Jacksonville (Camp LeJeune / MCAS New River)
- Sep 9 – Fayetteville (Fort Bragg)
- Sep 26 - Goldsboro (Seymour Johnson)
- Nov 3 – Ft Bragg



Summit Top 10 Issues

- Critical importance of the Joint Strike Fighter
- Critical importance of Fleet Readiness Center-East
- Requirement for a clear state land use strategy
- Transportation and related infrastructure concerns
 - Roads, Rail, Air & Sea Ports
 - Supply Chain
 - Maintenance
 - Defense Logistics Initiative
- Workforce Development/Transitioning Military



Summit Top 10 Issues

- Education (Pre-K, K-12, CC System, UNC)
- Future reductions/downsizing
- Special Operations Community Growth
- Veterans, retirees - *extend no tax on retirement*
- Health care shortages:
 - Primary Care
 - Dentists
 - Behavioral Health Specialists



Governor's "Taskings"

Crisco

- Task Force on Transitioning Military Personnel and Families into NC's Workforce
 - Lead agency: Department of Commerce (Workforce Div and ESC)
 - Recommendations and action items due Jul 1, 2012 *26.9% Unemployment*
- Defense Logistics Initiative
 - Lead agency: Department of Transportation (Transportation Logistics Coord. Council)
 - Report and recommendations due to Governor Dec 31, 2011.



Governor's "Taskings"

- State Land Use Compatibility Plan
 - Lead agency: DENR *in works as well*
 - Report and recommendations due to Governor Apr 6, 2012.
- Task Force on Addressing Shortage of Qualified Medical Professionals in Base Communities
 - Lead agency: Department of HHS.
 - Recommendations and action items due Jul 1, 2012. *Rep. Martin*
Actions on going



Governor's "Taskings"

- Task Force on Integrating Small Businesses into Military Economy
 - Lead agency: Department of Commerce (Small Business Commissioner)
 - Recommendations and action items due Apr 1, 2012.
- Joint Strike Fighter/Fleet Readiness Center-East Task Force Reports
 - Lead Agency: Department of Commerce
 - Report quarterly and as required.

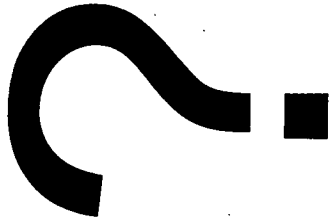


Governor's "Taskings"

- In addition to developing recommendations and action items in general, each task force should produce any recommendations for legislative activity by Apr 1, 2012, in time to be considered in the 2012 legislative session.
*edu draft - form, not seat
another edu*
- These recommendations should include drafts of legislation, proposed source of funding (if funding required), and proposed sponsors for the legislation.



Questions



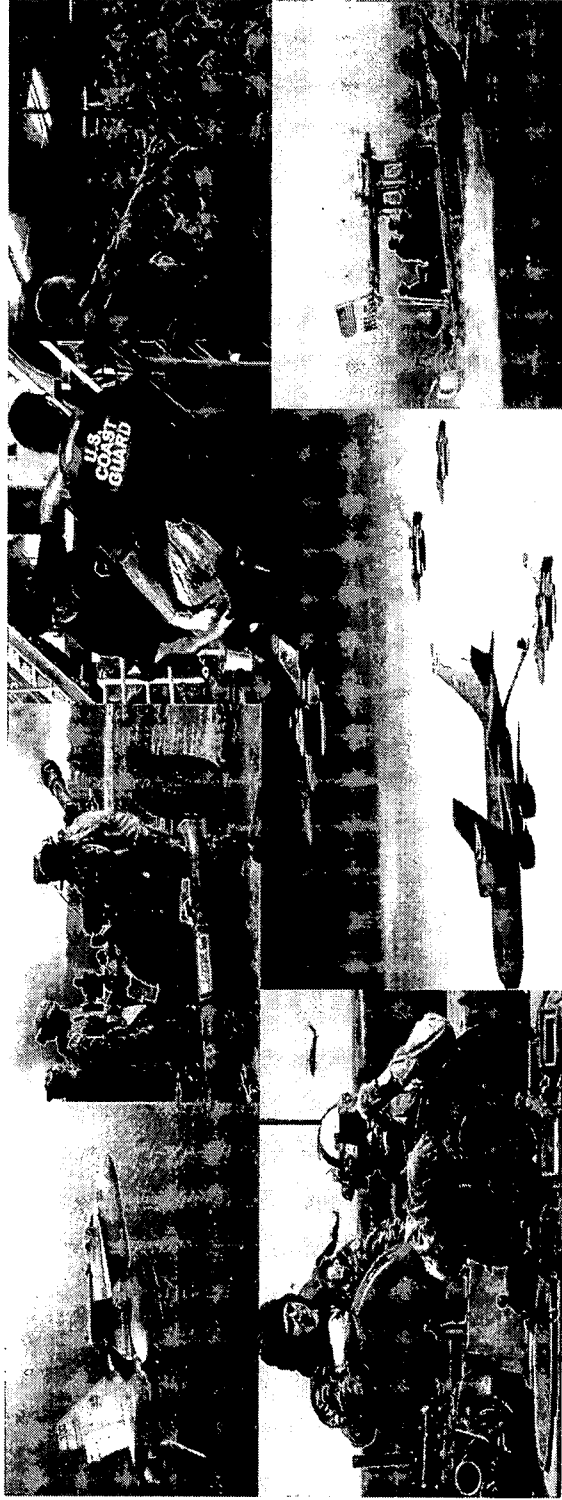
- **Contact Info:**
 - John A. Nicholson
 - Military Affairs Advisor
 - Office of Governor Beverly E. Perdue
 - 116 West Jones Street
 - 20301 Mail Service Center
 - Raleigh, North Carolina 27699-0301
 - john.nicholson@nc.gov
 - Phone: (919) 715-1444

North Carolina Advisory Commission on Military Affairs

Honorable Al King, Chairman



NC-The Most Military Friendly State



Working together in partnership for our mutual benefit

NC Advisory Commission on Military Affairs

- *Based in State statute (Chap 127c)*
- *Advisory to the Governor and Secretary of Commerce on protecting the existing military infrastructure and promote new military missions*
- *Assures base and community perspective through citizen appointees around the bases as voting members*
- *Provides for communication with installations through ex-officio representation*

Membership



- *Membership consists of 21 voting members (executive committee) and 17 non-voting members (ex officio members who serve by reason of their positions)*

Executive Committee appointed as follows:

- Three members appointed by the Speaker of the House of Representatives (1 being a recognized veteran)*
- Three members appointed by the President Pro Tempore of the Senate (1 being a recognized veteran)*
- Fifteen members appointed by the Governor-three each from the areas of Jacksonville, Havelock, Goldsboro, Fayetteville and three public members from across the State*

Membership



- **Membership (cont'd)**

Ex Officio members include the following:

- a. Lieutenant Governor
- b. Secretary of Crime Control & Public Safety
- c. Secretary of Commerce
- d. Secretary of Transportation
- e. Secretary of Dept. of Environment and Natural Resources
- f. Installations Commanders at Ft. Bragg, MCB Camp Lejeune, MCAS Cherry Point, MCAS New River, Seymour Johnson AFB, US Coast Guard, National Guard
- g. Executive Director of the NC League of Municipalities
- h. Executive Director of the NC Association of County Commissioners
- i. Asst. Secretary for Veterans Affairs, Dept. of Administration
- j. President, University of NC
- k. President, Community College System



Purpose

- *To develop a strategic plan to provide initiatives to support long term viability and prosperity of the military of this State to include economic impact studies*
- *To protect the installations of this state from any future defense budget cuts or military downsizing by providing sound infrastructure and affordable housing and education for military members and their families*
- *Study ways to improve educational opportunities for military personnel in NC*
- *Assist in coordinating the State's interests in future activities of the DOD*
- *Promote initiatives to improve the quality of life for military personnel*

Accomplishments



Where we are today –

- *Improved public awareness of importance of military to North Carolina*
- *State supplement to MWR funds*
- *Growth in organizations related to the military –NC Commander's Council, NC Military Foundation, NC Military Business Center*
- *Impact of the military to the economy of North Carolina*
- *Feed/fuel the force initiatives*
- *Wind turbines*

Competing for limited state resources

- *Directly assisting the installations (i.e. MWR,)*
- *Indirectly assisting the installations (i.e. highway construction)*
- *Supporting National Guard, their members and families (i.e. pensions and family support programs and capital improvements of NG facilities)*
- *Support economic development programs (i.e. NC Military Business Center, Defense and Security Technology Accelerator, State Department of Commerce)*

Competing for limited state resources (cont'd)

*Department of Environment and Natural
Resources data collection on compatible land use
around installations, funding for purchasing of land
and easements through State Trust Funds)*

- *Support for veterans*



What does the Future Look Like ?

Strategic Plan of the Advisory Commission

3 priority areas:

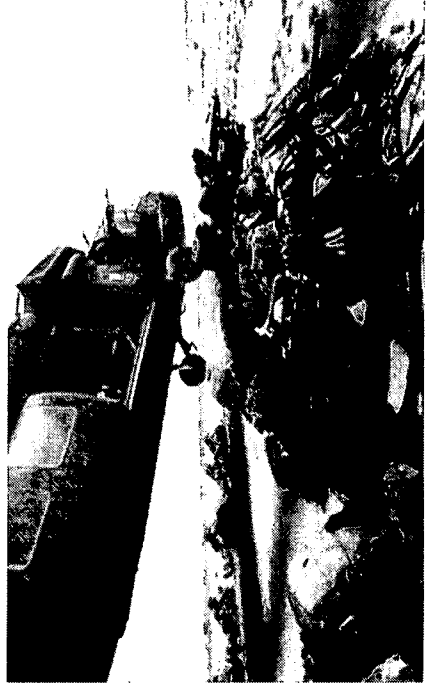
- 1. Military Base Sustainability*
- 2. Economic Development*
- 3. Quality of Life and Community Affairs*

Military Base Sustainability

- *Provide advice, counsel and recommendations to the Governor and the Secretary of Commerce on initiatives, programs, organizations, and legislation that will help ensure North Carolina's military installations, the National Guard and Reserves and all their components (including ranges, training areas and airspace) play a major role in America's defense strategy and the economic health and vitality of our communities.*

Economic Development

- *Identify and support economic development organizations and initiatives that focus on leveraging the military and other federal business opportunities that help create jobs and expand defense and homeland security related economic development activity in North Carolina.*



Quality of Life and Community Affairs

- *Promote initiatives, programs, organizations and legislation that make North Carolina's bases, ranges and training areas and surrounding communities the best in the world for service members and their families.*
- *Promote mutual understanding and support between the bases, adjacent communities, state and federal government, and the general public.*

Questions?



Comments & Discussion

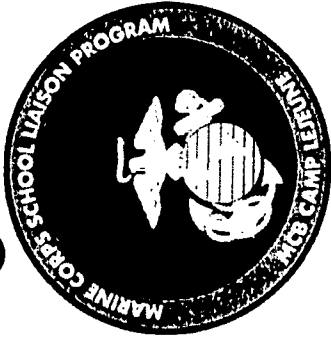




Regional Military Counselors

Presentation for the
Committee on Military Affairs

Nov. 14, 2011

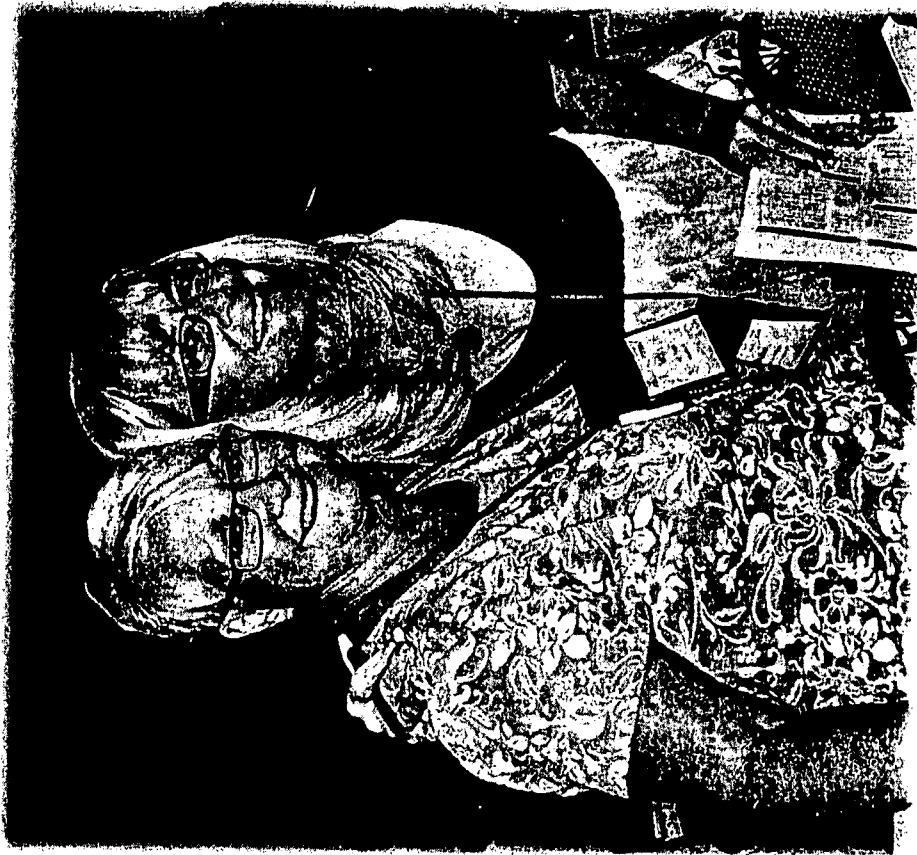


What We Need

We need Regional Military Counselors to be allocated by a formula based on the number of students served rather than having one support individual per military impacted district.



A Story of "Death" and "Suicide"





Numbers

- 47% of Onslow County Schools students are military connected
- 11,400 military connected students in 38 schools
- Additional students connected to Camp Lejeune and New River are in Pender, Duplin, Carteret, and Jones counties
- 25% of those have a parent deployed, most of those in a war zone



Real People

- Amber was an honor roll 8th grader when her grandfather became terminally ill
- Cedric was a senior in California when his dad headed back from Afghanistan the family had been separated a year already, but it got worse.
- Jennifer was supposed to be in her high school play but on opening night she was admitted to a psychiatric ward because she was suicidal.
- Caitlyn's dad has been deployed three times just while she has been in high school. She should graduate with certain honors, but she won't.
- Rebecca cries every single day at school since her dad was killed in Afghanistan. Her step-father is there now.
- Mrs. Gonzales wants some help for tutoring her son. Her husband has a traumatic brain injury and can't help the kids with their schoolwork anymore.

Duties of the Military Counselors

- -Transition-related issues
- -Military culture training for counselors, teachers, administrators
- -Student 2 Student program
- - Deployment support
- - Traumatic events
- - Student opportunities – summer camps, college scholarships
- - Educational records and enrollment
- - Graduation requirements and the Graduation Project
- - Connection to community agencies
- - Interstate Compact concerns and questions
- - Staff Development presentations – current studies and best practices



Current Allocation

Four Regional Military Counselors currently work on behalf of military families in NC.

# of RMC	COUNTY	# of MILITARY STUDENTS	PERCENTAGE of SCHOOL POPULATION	DEPLOYMENT TEMPO
1	Wayne	1,983	10	Low
1	Craven	3,851	25	Low
1	Onslow	11,475	47	High
1	Cumberland	16,364	30	High

Source Ed Impact Aid 2010 (Onslow current data)



Suggested Allocation

Provide one Regional Military Counselor for each 4,000 military connected students.

# of RMC	COUNTY	# of MILITARY STUDENTS	PERCENTAGE of SCHOOL POPULATION	DEPLOYMENT TEMPO
1	Wayne	1,983	10	Low
1	Craven	3,851	25	Low
3	Onslow	11,475	47	High
4	Cumberland	16,364	30	High

Source Ed Impact Aid 2010 (Onslow current data)



Q and A

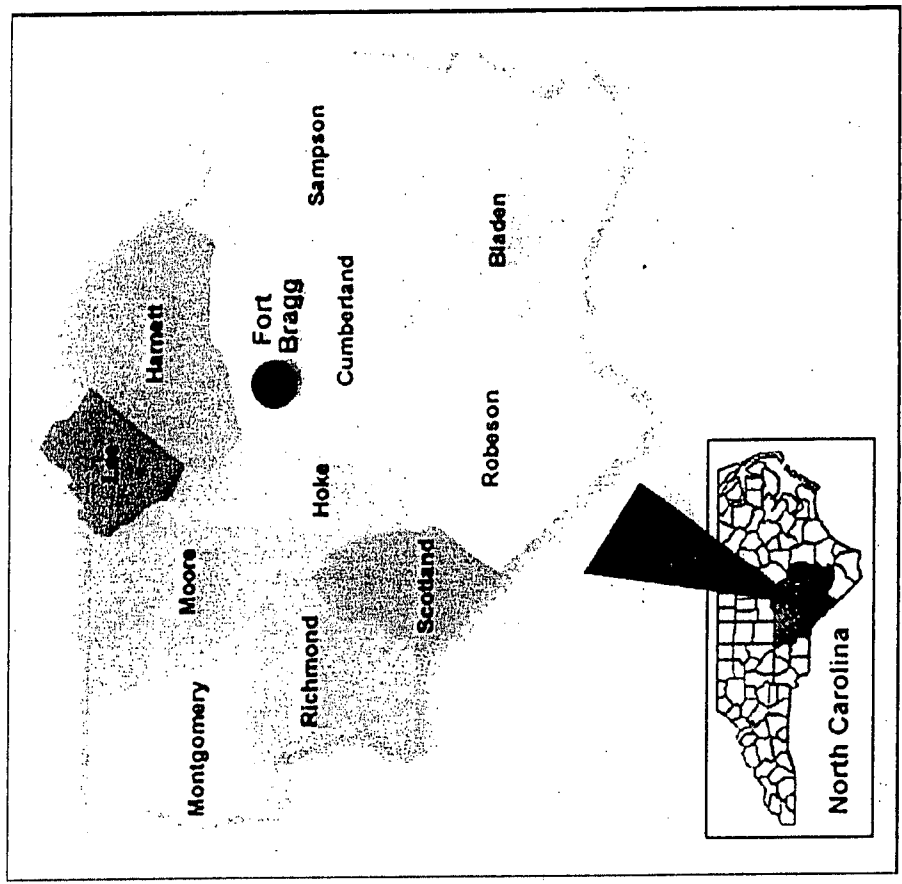


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w. 910-449-9915
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Julie.fulton@usmc.mil

Emily Dickens, Director

NC's "Pentagon South" Region



Promoting Partnership



University of North Carolina Tomorrow



Leading
Connecting
Transforming



Embracing Change



FORSCOM/USARC Headquarters

Leveraging Location

Fort Bragg, NC

USASOC

FOR D Lab

RLM

Zettles

Washington, DC
315 Miles

ETEVILLE STATE UNIVERSITY

K3 ENTERPRISES, INC.

PD

SDI

Neighboring Defense Industry Businesses:

- ✓ K3 Enterprises
- ✓ Partnership for Defense Innovation
- Defense Security and Technology Accelerator
- ✓ Partnership for Defense Innovation R& D Lab
- ✓ RLM
- Communications
- ✓ Strategic Solutions Unlimited

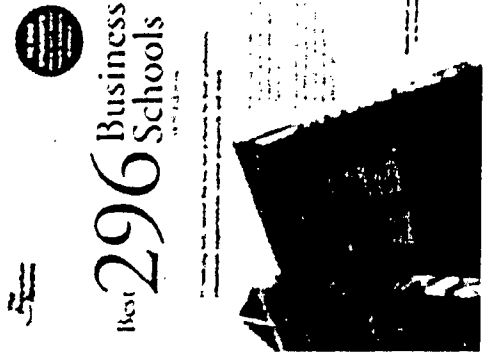
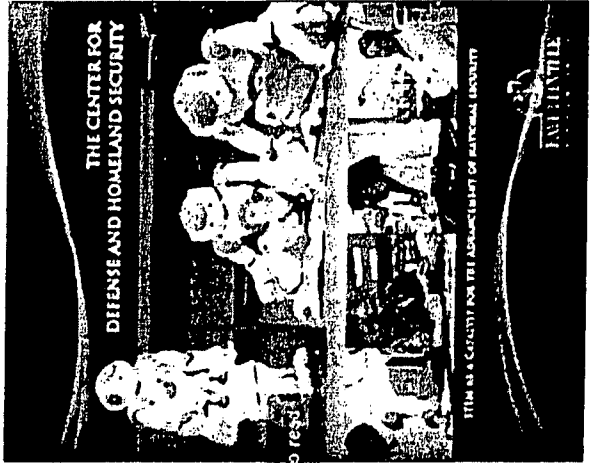
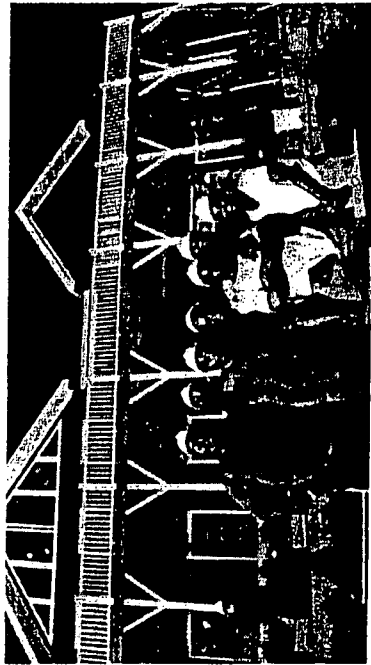
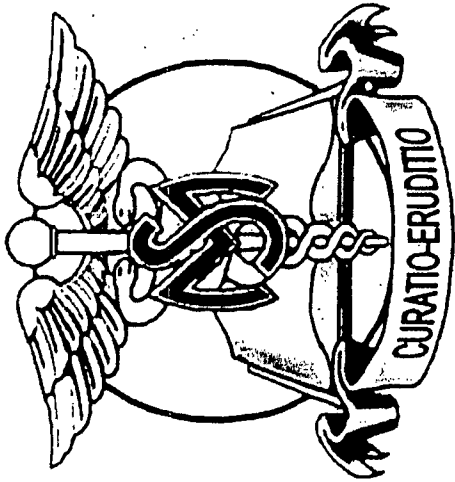
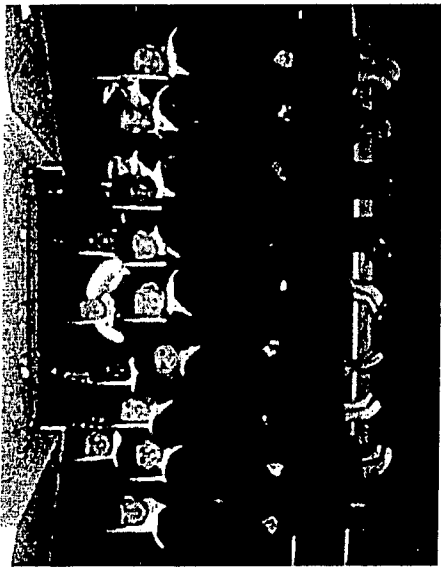
Largest U.S. Military Installation :

- ✓ FORSCOM
- Headquarters
- ✓ USARC
- Headquarters
- ✓ USASOC
- ✓ USA/IKSWCS
- ✓ XVIII Airborne Corps
- ✓ 1st Theater Support Command
- ✓ 43rd and 440th Airlift Wings

Getting a Return on Your Investment

- NC Veterans Park
- www.ncveteranspark.org
- Defense & Security Technology Accelerator
- Airborne and Special Operations Museum
- FTCC
- www.asomf.org
- Fayetteville State University
- NC Military Business Center

And 7 Miles from Ft. Bragg's Gates...



Proposed Schedule

Option 1

Noon Arrive in Fayetteville
12:30 Box Lunch Tour
I-295 Construction
ASOM
Veteran's Park
FSU Campus
2:30 Committee Meeting
5:00 Leave Fayetteville

Option 2

1:30 Arrive in Fayetteville
2:00 Committee Meeting
4:00 Tour
FSU Campus
Veteran's Park
ASOM
5:00 Leave Fayetteville

Proposed Meeting Agenda

- Military Presentations
 - FORSCOM
 - USARC
- Industry Presentations
 - RLM
 - K3
- University Presentations
 - Military Enrollment and Services
 - ROTC
 - MSW Programs
 - Veteran's Business Outreach Center
 - Center for Defense and Homeland Security



North Carolina General Assembly
 House of Representatives
 State Legislative Building
 Raleigh, 27601-1096

NORTH CAROLINA GENERAL ASSEMBLY

Raleigh, North Carolina 27601

January 23, 2012

MEMORANDUM

TO: Members of the House Select Committee on Military Affairs

FROM: Representative Phil Shepard, Co-Chair
 Representative Bill Cook, Co-Chair

SUBJECT: House Select Committee on Military Affairs Meeting Notice

DAY	DATE	TIME	ROOM
Monday	January 30, 2012	1:15 p.m.	J.C. Jones Boardroom, Charles Chesnutt Library, Fayetteville State University

If you are unable to attend or have any questions concerning this meeting, please contact Amanda Vuke at cookla@ncleg.net or 919-733-5906.

cc: Committee Record
 Interested Parties





HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

AGENDA

January 30, 2012
J.C. Jones Boardroom, Charles Chesnutt Library
Fayetteville State University
1:15 PM

WELCOME AND INTRODUCTION

Rep. Bill Cook, Co-Chair
Rep. Phil Shepard, Co-Chair

- Welcome and Introductions
 - Dr. James A. Anderson, Chancellor
 - Ms. Emily M. Dickens, Director of Government and Community Affairs
- Community Presentations
 - Mayor Chris Rey, City of Spring Lake
 - BRAC Regional Alliance, Greg Taylor, Executive Director
 - Partnership for Defense Innovation, Scott Perry, Executive Director
- Military Presentations
 - Brigadier General William Gothard, U.S. Army Reserve Command
 - General Ferdinand Irizarry, the Deputy Commanding General of the United States Army John F. Kennedy Special Warfare Center and School
 - Colonel J.R. Drushal, Deputy Chief of Staff XVIII Airborne Corps and Colonel Steve Sicinski, Garrison Commander, Fort Bragg
 - Ms. Deborah Farmer, Transformation/Support Agreements Mgmt Analyst Plans, Analysis, & Evaluation Directorate of Business Operations, Womack Hospital

- Fayetteville State University Presentations
 - Military Enrollment and Services- Jon Young, Provost and Vice Chancellor for Academic Affairs
 - ROTC- LTC Ed Pethan (Army), LTC Darrell Lockhart (Air Force)
 - MSW Programs and FSU at Fort Sam Houston- Dr. Terri Moore Brown, Chair, Department of Social Work
 - Veteran's Business Outreach Center- Mr. Robert Rehder
 - UNC Serves- Thomas, E. H. Conway, Vice Chancellor and Chief of Staff
 - Center for Defense and Homeland Security- James Anderson, Chancellor

Committee Discussion/Staff Instructions

ADJOURN

Tour following meeting: FSU Campus, Veterans' Park, Airborne and Special Operations Museum

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs
Name of Committee

01/30/2012
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Thomas Conway	FSC
Amy Taylor	Fort Bragg Regional Alliance
Diane Parfitt	NC General Assembly
MAJ Sean Moser	NC National Guard / NC Justice
BG Ferdinand Irizarry	U.S. Army John F. Kennedy Special Warfare Center and School Deputy Commanding General
SSG Myles D. Larsen	USA JF KSWCS
COL STEPHEN SICINSKI	CDR, US ARMY GARRISON, FORT BRAGG
COL DRUSHALL	DEPUTY CHIEF OF STAFF, XVIII AIRBORNE CORPS
JON WOOLFOLK	US ARMY GARRISON, FORT BRAGG
BG Jay Gothard	U.S. Army Reserve Command
Nicole Nix	PDI / DSTA

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

01/30/2012

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

SCOT PERRY	Partnership for Defense Innovation
Darrell Lockhart	FSU AFROTC
LTC W Pethas	FSU Army ROTC
D. Jason DeSousa	FSU, Office of Retention
Roxie M. Shabazz	FSU, Enroll. Manag / Extended Ed
RICHARD N. RICE	FTCC, DIR OF MILITARY PROGRAMS
ROBERT REHDER	FSU, Vet. Bus. Outreach Center
Deborah Farmer	WAMC, Ft. BRAGG
CURTIS B. CHARLES	FSU, CHANCELLOR'S OFFICE
DAVID L. BRAND	MSAIFKSWCS
LTC JOHN BATES	US ARMY RESERVE COMMAND, FT BRAGG

MINUTES

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

Monday, January 30, 2012

1:15 p.m.

J.C. Jones Boardroom, Charles Chesnutt Library, Fayetteville State University

The House Select Committee on Military Affairs met on Monday, January 30, 2012 at 1:15 p.m. on the campus of Fayetteville State University (FSU). Representatives Cook, Shepard, Bell, Horn, Parfitt, and Sanderson attended.

Representative Cook presided. He welcomed the committee members, speakers, and guests, recognized the Sergeant-at-Arms, and recognized Representative Parfitt. Representative Parfitt extended welcome and thanks on behalf of the Cumberland County delegation to the committee and staff as well as to FSU for hosting and putting the program together. She also recognized Representatives Glazier and Lucas who attended. Chair Cook recognized Emily Dickens who coordinated the meeting with FSU. Ms. Dickens welcomed all in attendance and introduced Dr. James Anderson, Chancellor of FSU. Dr. Anderson extended his welcome to the committee. Chair Cook reviewed the agenda and noted that the first two presenters were not yet present and so the committee will first hear from BRAC.

PRESENTATIONS

Greg Taylor, Executive Director, BRAC

Greg Taylor, Executive Director of BRAC was introduced and asked to speak on what has been happening with BRAC. His presentation is included as 01/30/2012 Attachment 1.

Representative Horn asked for more information on the school shortfall. Mr. Taylor said that counties are required to build the schools. They have been hoping the federal government would step in, but that never happened so there is still a need for more schools. Representative Horn queried about the plan and about where things stood currently. Mr. Taylor said there were two likely options: have the counties implement a sales tax or have the government give out no interest loans. They are still trying to get the federal form for Impact Aid changed. Colonel Sicinski noted that the program started with Indian Affairs and, somehow, got applied to all people in military bases, but it only applies to those on base. Those living off base do not get the monetary help. Only Congress can change this form. The numbers given in the presentation are from the Nation Association on Impact School. The money figures come from the Federal Department of Education.

Representative Shepard noted that the Department of Defense federally financed the school in LeJeune. Mr. Taylor said that is also the case here, but only for those who live on post, which is about 21% of the actual population. The remaining 79% of the military live off post. Representative Shepard said in Onslow, the timber cut from LeJeune went to fund the schools. He asked if they had considered such a solution. Mr. Taylor replied that he had never heard of that before, and appreciated Representative Shepard mentioning the idea.

Mayor Chris Rey, Town of Spring Lake

Chris Rey, Mayor of Spring Lake, was introduced. He said that the town enjoys a great relationship with the military. There are planned changes in the next 12 months will be very impactful on both the military and the non-military citizens. They need additional land for a business cluster, as Spring Lake is land-locked otherwise. Medical care needs addressing for active and retired military. He encouraged the members to develop a curriculum that would allow military to retool as they exit the service.

He is hoping that Spring Lake can eventually get the needed exemptions to be classified as rural for economic purposes so the town can get grants. They plan to create a military affairs council in the town because of their proximity to Fort Bragg. They also plan on training their first responders and sharing the same force with Bragg.

Representative Horn asked where Spring Lake was. Mayor Rey said it was on the Northern side of Cumberland County and noted that it would be shown on a map in a later presentation.

Dale Iman, City Manager, City of Fayetteville

Mr. Iman was introduced. He welcomed everyone to the City of Fayetteville. He said that Bragg is the epicenter of the military in the United States, and that Fayetteville is an All-American City.

They need assistance with the I-295 pass, he said. They are working on a new traffic pattern for Murkinson Road and Bragg Boulevard to help clear congestion and make travelling from downtown to Bragg easier. The plan exists, but it is not fully funded.

They also have some economic development they would like to do with a military business park designed to attract military defense entities. He asked the NCGA to support this effort. They need more money for infrastructure and attraction.

Fayetteville supports wounded warriors. They have selected the home for the NC Veteran's Park. Currently it is in Phase 1. Phase 2 is relocation of Rowan State Bridge. This bridge is one of the worst in the state and needs to be rebuilt, they also want the bridge to serve as an entryway.

Representative Shepard asked where this entrance is located and if it was the area that is bottled up. Yes, said Mr. Iman. Representative Shepard queried if the DOT was the sole funder of the project. Mr. Iman believes that is the case. Is I-295 fully funded, asked Representative Shepard? The short answer is no, not entirely, Mr. Iman responded, though a good portion is.

Scott Perry, President, Partnership for Defense Innovation

Scott Perry, President of Partnership for Defense Innovation, was introduced. His presentation and supplemental materials are included as 01/30/2012 Attachment 2.

Representative Horn asked what the pay back was for the loans and grants that PDI gives. Mr. Perry said everyone has paid back on schedule. PDI then turns around and loans that money back out to others in need.

XVIII Airborne Corps, Fort Bragg

Colonel Steve Sicinski, Garrison Commander, XVIII Airborne Corps, Fort Bragg, was introduced. His presentation is included as 01/30/2012 Attachment 3. Colonel J.R. Drushal, Deputy Chief of Staff, XVIII Airborne Corps, Fort Bragg, was introduced by Colonel Sicinski and spoke after him. His presentation is also included in 01/30/2012 Attachment 3.

Representative Horn asked if all right of way acquisitions and monies were obtained yet. Colonel Sicinski said they were not yet.

Representative Shepard asked if people wanting to get on base can get a pass at any base station. Col. Sicinski replied that right now it is an open post/base.

Representative Sanderson asked if something like the first success story shared is unique between Fort Bragg and Fayetteville. He was told that LeJeune did something similar.

Hal Pell asked if there were any encroachment concerns as things currently stand. Col. Sicinski said that there is "incompatible development" that currently exists. Mr. Pell clarified asking if zoning was currently in place. Yes, was the reply.

Brigadier General William Gothard, U.S. Army Reserve Command

Brigadier General William Gothard of the U.S. Army Reserve Command was introduced. His presentation is included as 01/30/2012 Attachment 4.1. Additional information is included as 01/30/2012 Attachment 4.2 and 01/30/2012 Attachment 4.3.

Special Warfare Education

General Ferdinand Irzarry, Deputy Commanding General of the US Army John F. Kennedy Special Warfare Center and School, and Dr. David L. Brand, Deputy Director of Education – Special Warfare Education Group, were introduced and followed each other in presenting. Their presentation is included as 01/30/2012 Attachment 5.

Deborah Farmer, Womack Hospital

Deborah Farmer, Transformation/Support Agreements Management Analyst Plans, Analysis, & Evaluation Directorate of Business Operation at Womack Hospital, was introduced. Her presentation is included as 01/30/2012 Attachment 6.

Representative Horn expressed his thanks as his 17 year-old daughter was born at Womack. He wondered if Womack receives patients directly from the battlefield. Ms. Farmer said they do not; they received the patients after the patients are stabilized.

Fayetteville State University

Ms. Dickens called attention to a News & Observer article provided as a handout that should be of interest to the committee members regarding veterans attending school. The article is included as

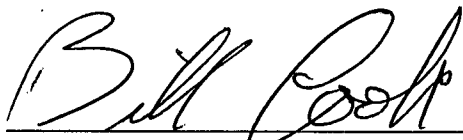
01/30/2012 Attachment 7. She then introduced Jon Young, Provost and Vice Chancellor for Academic Affairs and noted that the remaining presenters know where they fall in presenting and will introduce themselves as they address the committee. The following all gave presentations which are included in 01/30/2012 Attachment 8: John Young, Provost and Vice Chancellor for Academic Affairs; LTC Ed Pethan, Army ROTC; LTC Darrell Lockhart, ROTC Air Force; Dr. Terri Moore Brown, Chair, Department of Social Work; Mr. Robert Rehder, Veteran's Business Outreach Center; E. H. Tomas Conway, Vice Chancellor and Chief of Staff, UNC Serves; and Mr. James Anderson, Chancellor, Center for Defense and Homeland Security.

Mr. Rehder thanked the military for their service. Mr. Conway noted that the numbers in the back of the packet are about a year and a half old. Mr. Anderson said they do listen to the military and that just before he came to the committee meeting he was talking with Coke about setting up a scholarship for the military. Mr. Anderson also highlights a handout on the Center for Defense and Homeland Security that was distributed. It is included as 01/30/2012 Attachment 9.

Ms. Dickens highlighted two supplemental documents – the March 2011 Report to the President and its Appendix – which are included as 01/30/2012 Attachment 10 and 01/30/2012 Attachment 11.

Representative Horn moved the committee adopt the minutes from the previous meeting. Representative Bell seconded the motion. The committee then discussed having more meetings at different bases. This idea carried, but the committee agreed that there should be more moving around the campus in a hands-on fashion and less sitting and listening to presentations.

They agree to meet next on February 27, 2012 at Camp LeJeune. Representative Parfitt thanked everyone for coming out to Fayetteville for the meeting. The committee adjourned.



Representative Bill Cook, Co- Chair, Presiding
Representative Phil Shepard, Co-Chair



Amanda Vuke, Co-Clerk
Pamela Pate, Co-Clerk




**FORT BRAGG
REGIONAL ALLIANCE**

PRESENTATION FOR THE
**NORTH CAROLINA HOUSE SELECT
COMMITTEE ON MILITARY AFFAIRS**
AT
**Fayetteville State University
January 30, 2012**

WELCOME

Greg Taylor, Executive Director
Fort Bragg Regional Alliance



ALL ★ AMERICAN
DEFENSE CORRIDOR
Serving the Fort Bragg Region


KEY ISSUES FOR THE FORT BRAGG REGION

Overview

- Education
 - Capital Investment
 - Impact Aid
- Economic Development
- Infrastructure:
 - Transportation
 - Workforce Development
- Land Use, (Mission Compatibility)

BRAC 2005 "A REGIONAL APPROACH"

BRAC 2005 was a win for North Carolina & the Fort Bragg Region



FORSCOM/USARC Headquarters

CRITICAL IMPACTS (EDUCATION)

ISSUE: School Construction Shortfall

- **Statement:** Funds needed for new schools in the region to accommodate BRAC related growth
- **To Date:** Qualified School Construction Bonds (QSCB) helped and our counties have stepped up – big time
- **Current Need:** \$232 million; \$78 million military-related;
- **The Problem:** The average property tax rate for Fort Bragg region counties is already 22% higher than the state average
- **Ramifications:** More mobile units, more kids bused out of district, increased transportation costs, higher risk

CRITICAL IMPACTS (EDUCATION)

SCHOOL CONSTRUCTION

How can the state legislature help?

- Pass State legislation/direct appropriation
- Authorize no Interest State Loans for School Construction for Military Impacted Districts
- Give Military Impacted Counties the authority to implement a temporary sales tax that can only be used to pay for these schools
- Identify/Access other state budget lines/funding vehicles
- Support giving our region higher priority on USDA applications

IMPACT AID (EDUCATION)

2010 Federal Impact Aid in the Fort Bragg Region			
	Funding Allocation	Eligible	Difference
Cumberland, NC	\$5,106,535	\$13,796,784	\$8,690,249
Harnett, NC	\$304,346	\$2,076,311	\$1,771,965
Hoke, NC	\$375,009	\$1,507,604	\$1,132,595
Lee, NC	\$10,319	\$231,235	\$220,916
Moore, NC	\$48,609	\$670,928	\$622,319
Robeson, NC	\$15,786	\$553,719	\$537,933
Scotland, NC	\$8,147	\$151,250	\$143,103
		Total Difference	\$13,119,080

IMPACT AID (EDUCATION)

Resolutions

- Adjust Impact Aid formula to reflect parity for all Federally-impacted students
- Fully fund Impact Aid line item

We would like to request that you put the weight of your offices behind getting this changed at the national level.

ECONOMIC DEVELOPMENT

Building a Defense Industry Cluster

It is essential that the state and our friends in the military realize that we need economic development around our bases in order to provide for education and other quality of life needs for our soldiers and their families.

Economic Development Initiatives



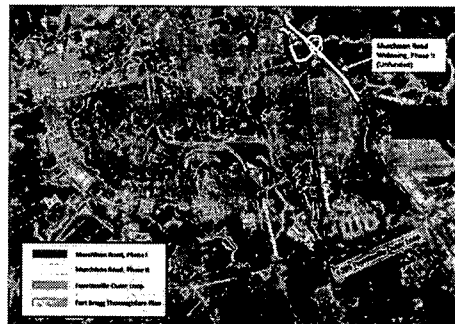
WORKFORCE DEVELOPMENT

- PipelineNC.com
 - One area that this region has long identified as a potential asset to Economic Development, is retaining more of our exiting military talent.
 - Out of that focus has come PipelineNC.com


Concerns - We need:

- 1) A closer relationship with statewide Higher Ed resources to get more of NC's Distance Learning Curriculum on PipelineNC,
- 2) To find a way to leverage ESC for this effort. (We are currently working with Secretary Crisco to address this.)

FORT BRAGG MAP



WORKFORCE DEVELOPMENT
<ul style="list-style-type: none">• Preparing the Workforce<ul style="list-style-type: none">• The Fort Bragg Regional Alliance conducted studies that identified the Gaps existing between education/training that was available & what was needed• I am proud to say that our local universities and community colleges stepped up and implemented new courses and programs to address many of those needs <p><i>Concern: That budget cuts will impact our ability to respond to the education/training needs generated by the BRAC growth – at all levels</i></p>

 LAND USE COMPATIBILITY
<p>A new round of BRAC?</p> <ul style="list-style-type: none">• NC Working Lands Group (The State Umbrella)<ul style="list-style-type: none">• Food and Fuel for the Forces (FF4F)• Agricultural Development and Farmland Preservation (ADFP) <p>The Goal: Market-based land use that is compatible with the military mission.</p>

CLOSING REMARKS
<p>Questions</p>



- Founded in 2006
- 501(c)3 Not For Profit Organization
- Headquartered in Fayetteville, NC
- **Conduct** Research and Development in Lab located outside Ft. Bragg
 - Anchor Tenant for the All American Military Business Park
 - Accredited Facility / Secure Areas / COMSEC / Personnel Clearances
 - Provide Full Engineering Services
- **Provide** Business Acceleration and Commercialization Services
 - Coaching, Mentorship, Training and Education
 - Teach: How to navigate in government business
 - Provide: Evaluation and introduction of technologies to government customers
 - Deliver: Solutions that provide results for defense contractors
- FOCUS - Create jobs and generate revenue for NC I
- Tool used is defense contracting
- All success was made possible by original grant from NCGA

built solely w/ Federal Funds
received ~8 mil. in Fed. Funds
does top secret work for the gov.

- Supports research and development, education and programs which have applications in defense and security
- Collaborates with academia, the military, intelligence communities, the State of NC and private institutions by fostering cooperation in the development of technology
- Is engaged in research and development of technologies associated with military and homeland security
- Has worked with more than 50 small NC defense contracting companies
- Success stories include
 - Graduated Companies.....
 - Fusion Grants (Seed Funding)
 - Award Competition Grants
 - RBEG (USDA) Loan

DSTA is a 86-step process that prepares young technology companies for successful completion of a DCAA audit and the commercialization of their DOD TRL 4 prototype technologies, while pursuing defense contracting opportunities.

Our coaches provide advice / assistance on:

- Corporate Structure and Government Registration requirements
- Infrastructure support, including operations, human resource, accounting, marketing, set aside certifications, banking and funding opportunities
- Technology Introductions



- UNC General Administration
 - Defense Applications Group
- Fayetteville State University -
 - Formal MOU
 - PDI Board Member
- North Carolina State University -
 - PDI Board Member
- University of North Carolina at Charlotte
- Western Carolina University
 - Former PDI Board Member
- Fayetteville Technical Community College
 - Board Member

Collaborative Efforts (conducted for DSTA clients)

- NCSU Ergonomics Center - internal frame load bearing equip
- NCSU Engineering School - reduce antenna footprint of 150 foot tower
- WCU - provided lab access / strategic partner on DOE effort
- Naval Post Grad - Crimson Viper (formerly COAST) - exercise support
- PARI Field Testing - Idaho National Lab conducted robotics testing



- PDI consists of the R&D Lab and the DSTA program
- DSTA program as worked with more than 50 small companies
- DSTA provides small companies the opportunity to be successful, to learn and grow...
- DSTA has provided grants, seed funding and low interest loans to small companies
- Federal funding was awarded after PDI/ DSTA received State Department of Commerce contracts
 - R&D Lab in Military Business Park was constructed with federal funding (Defense Bills 2008 and 2009) approx \$5M
 - R&D Lab is currently conducting technology development for DOD (Defense Bill 2010); working w/large defense companies


Program creates jobs and generates revenue for North Carolina!



Questions ?

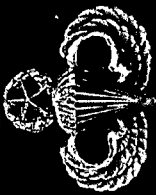
Corporate Website: www.ncpdi.org
Research and Development Lab: www.ncpdilab.org
Defense and Security Technology Accelerator: www.dstanc.org

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XVIII Airborne Corps and Fort Bragg

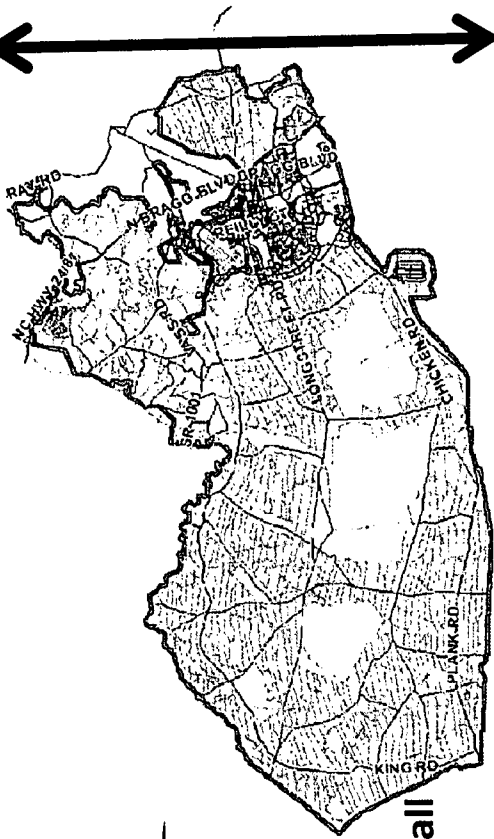


NC House of Representative Select Committee on Military Affairs
30 January 2012

Fort Bragg Overview

Fort Bragg, NC

17 miles



Camp Mackall



Fayetteville, NC

35 miles

Infrastructure & Facilities

- 160,973 Acres
- 24,546 Housing Units
 - > 18,308 Single Soldier
 - > 6,238 Family Homes
- 9,237 Structures
- 1,516 Miles of Paved Roads
- 3 Airfields:
 - > Pope Field
 - > Simmons AAF
 - > Mackall AAF

Annual Economic Impact

- \$ 10.3B Economic Impact
- \$ 241M Exchanges Sales
- \$ 115 M Commissary Sales

Daily Facts and Activities

- 85,941 Vehicles enter Post
- 190 Police, Fire, 911 Calls
- 173 Emgr Room Patients
- \$ 26M Local Econ Impact

Special Units

- Womack Army Medical Center
- Wounded Warrior Battalion

Ft Bragg Population (7 Apr 11)	FY10
Military (Army, USAF, & Other Services)	55,922
Civilian Employees - Assigned Ft Bragg	14,125
Contract Employees - Assigned Ft Bragg	5,481
Military Family Members (Active Duty Military)	75,629
Total Ft Bragg Population	151,157
Surrounding Areas (Retirees and Others)	153,696
Total Supported Population	269,779

Fort Bragg Commands FY12



FORSCOM



1 Tier x5



USARC



JSOC



1st TSC



XVIII Abn Corps



20th ENG Bde



525th BfsB



16th MP Bde



82d SB



44th MED Bde



108th ADA Bde



82d Abn Div



10th MTN DIV



3rd ID DIV



3rd ESC
*



35th TTSB

* XVIII Abn Corps
TRA, Not on Ft
Bragg



USASOC

1 Tier



USAJFKSWCS



1st SWTG



SWMG



USASOAC
*



MISO GP
4th



440th AW (AFRC)
*



43th AG



18th ASOG



4th ROTC Bde



ASOTD



139th INF REG (NCNG)



DENTAC



Golden Knights



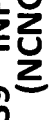
406th AFSB



ASOTD



Foreign Exchange Officer



Future 1-star Command



2 Tier - SES (2 Star Equiv)



1 Tier - SES (1 Star Equiv)

1 - 4-Star Command
 4 - 3-Star Commands
 7 - 2-Star Commands
 3 - 1-Star Commands
 26 - Brigades

* Foreign Exchange Officer
 ■ Future 1-star Command
 ▮ 2 Tier - SES (2 Star Equiv)
 ▮ 1 Tier - SES (1 Star Equiv)

North Carolina Military Initiatives and Success Stories

A- Current Military Initiatives

- 1- Full North Carolina state tax exemption for military retirees
- 2- Military reimbursement for state collected Time Warner Cable (TWC) entertainment tax
- 3- Military reimbursement for state collected 911 surcharges
- 4- Funding solution for new High School in the greater Fort Bragg area

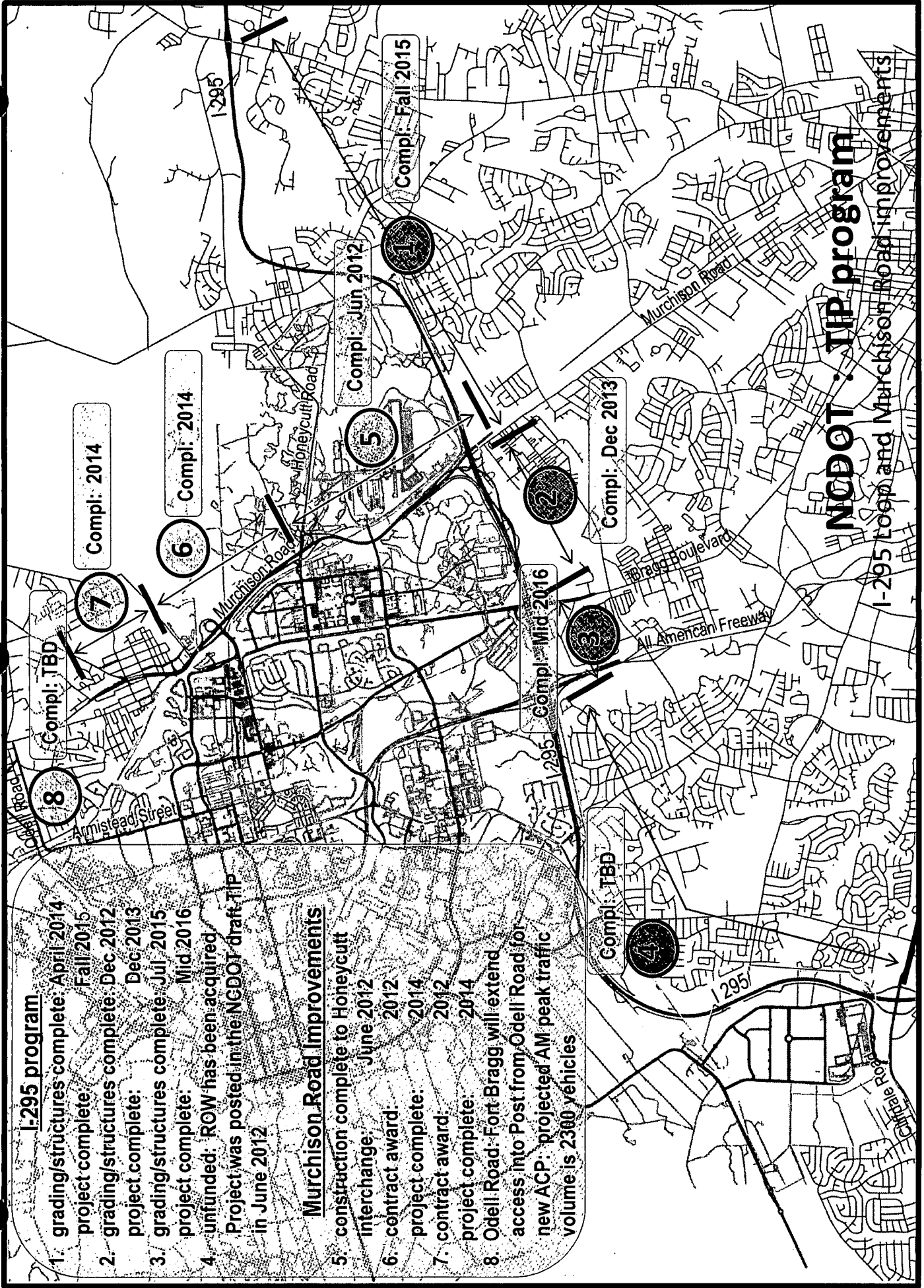
B- Success Stories

- 1- 1st responder re-cert fee reduction from old exemption at local community college
- 2- Direct air route from Fayetteville to Washington National
- 3- Greater Fort Bragg I-295 loop extension funding and new construction (next slide)

- I-295 program**
1. grading/structures complete April 2014
project complete Fall 2015
 2. grading/structures complete Dec 2012
project complete Dec 2013
 3. grading/structures complete Jul 2015
project complete Mid 2016
 4. unfunded: ROW has been acquired
Project was posted in the NCDOT draft TIP
in June 2012

Murchison Road Improvements

5. construction complete to Honeycutt
interchange June 2012
6. contract award: 2012
project complete: 2014
7. contract award: 2012
project complete: 2014
8. Odell Road: Fort Bragg will extend
access into Post from Odell Road for
new ACP: projected AM peak traffic
volume is 2360 vehicles



NCDOT TIP program
I-295 Loop and Murchison Road Improvements

Fort Bragg Mission and Intent

Mission

Fort Bragg equips, resources, trains, rapidly deploys, and sustains full spectrum forces and forcible entry capability for Combatant Commanders.

Intent

Purpose: Synchronize personnel, organizations, information systems and processes through a mission and campaign design on an installation that is the best in the Army.

Key Tasks

- 1 - Synchronize Army Force Generation & Reset (ARFORGEN)
- 2 - Organize, equip, train, to sustain full spectrum forcible entry warfighting
- 3 - Coordinate, plan, synchronize, & conduct joint forcible entry operations
- 4 - Resource / Validate unit readiness & sustainment
- 5 - Execute the Army Family Covenant
- 6 - Execute directed missions (Global Response Force)
- 7 - Enhance community relations
- 8 - Think and promote Safety in all we do
- 9 - Lead by example

Endstate: Fort Bragg provides expeditionary full spectrum forces to Combatant Commanders that are properly manned, trained, and equipped. Fort Bragg is a community of excellence for Soldiers, Civilians and Families.

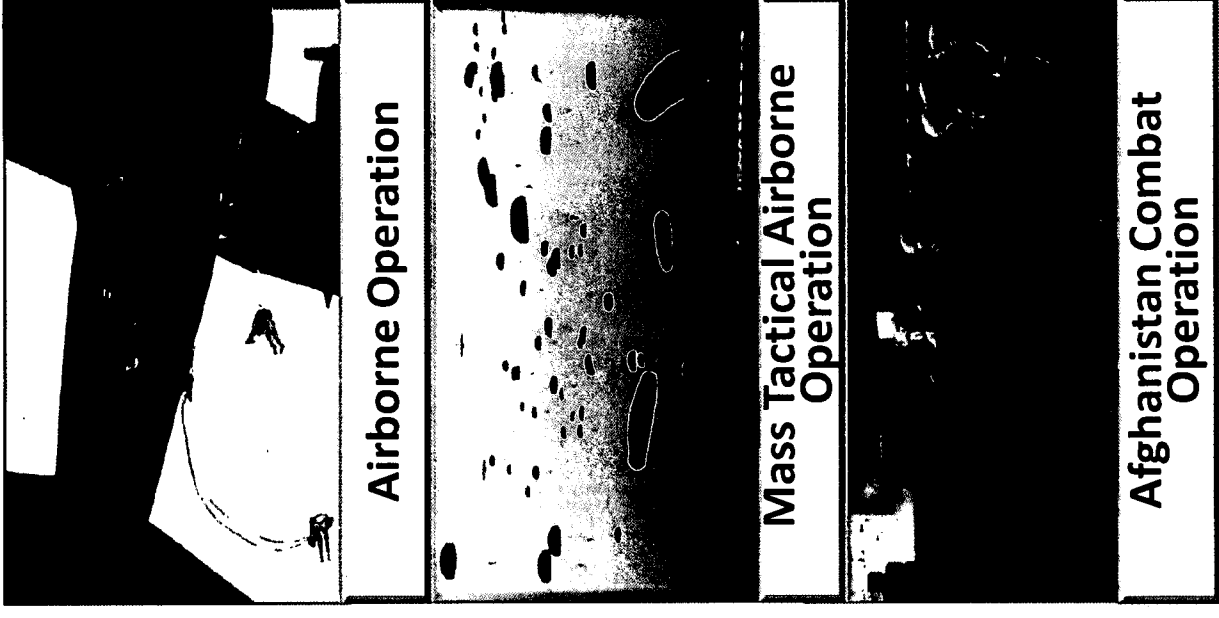
XVIII Airborne Corps Significant Capabilities

A- Rapidly deployable - short notice strategic response;
Global Response Force (GRF)

- 1- Only large-scale U.S. airborne forcible entry
capability for land-locked regions
- 2- XVIII Airborne Corps able to command and control
joint forces for protracted operations
- 3- 82D Airborne Division has a GRF Brigade Combat
Team ready when the nation calls!

B- Soldiers and leaders with trained understanding
airborne and air landing operations

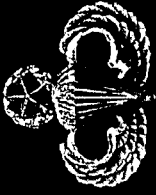
- 1- Only conventional trained US Airborne force
- 2- Ability to operate immediately in austere regions
with poor infrastructure



AIRBORNE




XVIII Abn Corps and Fort Bragg



NC House of Representative Select Committee on Military Affairs
30 January 2012


United States Army Reserve in North Carolina



Brigadier General Jay Gothard
United States Army Reserve Command

30 January 2012 LTC John Bates 910-670-8807

"The Army Reserve – An Enduring Operational Force"



Mission:
To provide trained, equipped, and ready Soldiers and cohesive units to meet global requirements across the full spectrum of operations.

30 January 2012 LTC John Bates 910-670-8807

Army Reserve Priorities

- Transform to an enduring operational force
- Provide the best trained, best led, best equipped Soldiers and units to combatant commanders
- Recruit, retain, and reintegrate through a Continuum of Services the best and brightest Citizen-Soldiers
- Provide Citizen-Soldiers and their Families with the training, support, and recognition to sustain a cohesive, effective fighting force
- Build and maintain a partnership with industry to facilitate Citizen-Soldier contributions to both a prosperous economy and a skilled, experienced, and capable Army

30 January 2012 LTC John Bates 910-670-8807

Army Reserve in North Carolina



USARC HQ's Fort Bragg *operates 4 units*
869 total Military/Civilian/Contract Fulltime Staff
1,247 total planned Fulltime Staff

30 January 2012 LTC John Bates 910-670-8807

Army Reserve in North Carolina

USAR Facilities Impact Report

Account Type	Required	Budgeted
Leases	\$71,978.00	\$71,978.00
Utilities	\$824,389.00	\$795,138.00
Maintenance/Repair/Minor Construction	\$2,278,855.00	\$1,945,592.00
Municipal Services	\$1,053,498.00	\$810,908.00
Environmental	\$331,349.00	\$192,338.00
Total:	\$4,559,978.00	\$3,706,058.00
Total Facilities in Area:		43
Total Size (sq. ft.) of Facilities in Area:		933,403
Total Military Construction Programmed in 2012 through 2017 for Area:		\$67,000,000.00

30 January 2012 LTC John Bates 910-670-8807

Army Reserve in North Carolina

USAR Unit and Personnel Strength Impact Report

Reserve Units for Area (AA Units):	51
Derivative Units for Area (Below AA):	73
Individual Ready Reserve (IRR) Soldiers for Area:	2,455
Individual Mobilization Augmentee (IMA) Soldiers for Area:	114
Troop Program Unit (TPU) Soldiers for Area:	6,231
Full Time Officers and Enlisted (AGR) Soldiers for Area:	751
Full Time Civilian (DAC + MILTECH) Employees for Area:	658
Personnel Deployed to OEF:	521
Total Average Annual Payroll for Area:	\$230,057,095.00

30 January 2012 LTC John Bates 910-670-8807

Army Reserve in North Carolina

Projects Identified FYDP 13-17

Recent Construction in North Carolina

FY	LOCATION	PROJECT TITLE	Budgeted Amount
2009	Cary NC	Army Reserve Center	\$ 12,100,000
2009	Raleigh/Knightdale NC	Army Reserve Center	\$ 18,505,709
2010	Wilmington NC	Army Reserve Center	\$ 9,052,809

Future Projects

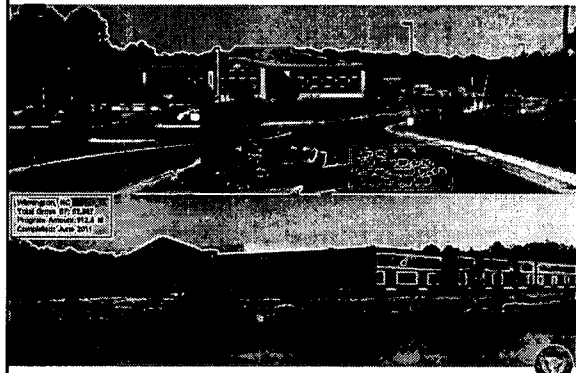
FY	LOCATION	PROJECT TITLE	Budgeted Amount
2012	Greensboro NC	Armed Forces Reserve Center	\$ 19,000,000
2014	Ft Bragg NC	Army Reserve Center	\$ 24,000,000
2017	Asheville NC	Army Reserve Center/OMS/UHS/Land	\$ 14,272,000

30 January 2012

LTC John Bates #10-670-8807

7

Recent North Carolina Projects



30 January 2012

LTC John Bates #10-670-8807

8

Army Reserve in North Carolina



The Employer Partnership of the Armed Forces

Linking America's employers with talented Service members to create a stronger workforce

30 January 2012

LTC John Bates #10-670-8807

9

Army Reserve in North Carolina

EPO GOALS

- A no charge, career-services program that collaborates with the civilian sector to:
 - ✓ Match skill sets between Service members and civilian sector jobs
 - ✓ Facilitate career opportunities and employment for Reserve Component Service members, their Family and Veterans
 - ✓ Capitalize on shared training and credentialing between the military and the civilian sector
 - ✓ Identify and implement future workforce innovations

We partner with Employers that offer our Soldiers a "continuum of career" that complements their military service. Employers tell us, **"We are proud to share OUR EMPLOYEES with the military when they are called to serve our Nation."**

30 January 2012

LTC John Bates #10-670-8807

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Army Reserve in North Carolina

Employer Partners

- More than 2,800 Employer Partners participating in the program
 - ✓ 94 Fortune 500 companies
 - ✓ 34 state placement agencies
- Employer skill needs often match military core competencies
 - ✓ Medical
 - ✓ Transportation
 - ✓ Chemical
 - ✓ Intelligence / Security
 - ✓ Civil Affairs
 - ✓ Engineering / Construction
 - ✓ Human Resources
 - ✓ Communications / IT
 - ✓ Administration
 - ✓ Law Enforcement
 - ✓ Logistics / Supply-Chain

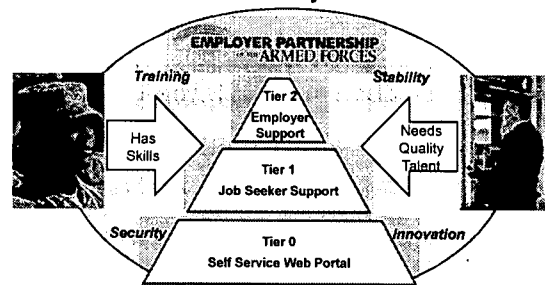
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Army Reserve in North Carolina

Service Delivery Model



30 January 2012

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12

How Can the North Carolina General Assembly Help

- Foster programs that support educational and employment opportunities for Army Reserve Soldiers across the state.
- Foster programs that strengthen Employer Support for the Guard and Reserve.
- Consider ways to equalize state benefits available to National Guard members and reserve members and veterans of all services.
- Maintain awareness of Army Reserve military construction requirements across the state. Encourage support from the NC Congressional delegation as appropriate. Encourage joint projects with the NC National Guard whenever possible.

30 January 2012

LTC John Bates 910-670-8907

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Army Reserve in North Carolina

North Carolina Army Reserve Ambassadors

Mr. James Cardo, Jr. jimcardo@bellsouth.net (704) 609-3049

Mr. Johnny H. Dwiggins johnnydwiggins@triad.rr.com (336) 414-5492

30 January 2012

LTC John Bates 910-670-8907

14



The U.S. Army Reserve Command is co-located with the U.S. Army Forces Command.

Some key facts about the facility and the economic impact:

- The USARC and FORSCOM facility houses approximately 2,800 workers.
- About 60% of the USARC jobs are either government civilian or contractor, which brings additional revenue and potential employment into the Fayetteville community.
- The new construction cost brought an estimated \$300 million, with additional impact for renovation of interim facilities.
- The long term economic impact is the addition of almost 3,000 employees, their spouses and families to the Fayetteville and Sandhills area.

Headquarters, U.S. Army Reserve Command

United States Army Reserve Command

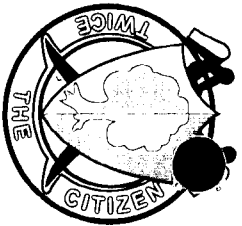


For more information, contact:

COL Ernest T. Parker
Chief, Public Affairs Division
910-570-8344

www.armyreserve.army.mil

4710 Knox Street
Bldg. 8-1808
Fort Bragg, NC 28310



WHO ARE AMERICA'S WARRIOR-CITIZENS?

THEY ARE ...

- VALUABLE FORCE MULTIPLIER
- 206,000 STRONG TOTAL FORCE
- HOMETOWN CITIZEN-SOLDIERS
- WORLDWIDE DEPLOYMENT READY



VISION: The Army Reserve is recognized and resourced as America's premier reservoir of shared military-civilian skills and capabilities that supports and defends the Nation.

MISSION: The Army Reserve provides trained, equipped and ready Soldiers and cohesive units to meet global requirements.

ORGANIZATIONAL STRUCTURE

Headquarters, U.S. Army Reserve Command

(USARC) Fort Bragg, NC:

- 1,345 total personnel (475 military and 870 Civilians);
- USARC represents 49% of the new headquarters at Fort Bragg, NC

Office of the Chief, Army Reserve (OCAR) Fort Belvoir, VA:

- 433 total personnel (263 military and 176 Civilians);
- OCAR staff will occupy new building at Fort Belvoir, VA in Sept. 2011;
- OCAR staff will impact the Fayetteville community as many employees will spend time at Fort Bragg, NC



DISTINCTIVE CAPABILITIES

The Army Reserve contributes to the Army's Total Force by providing 100% of the:

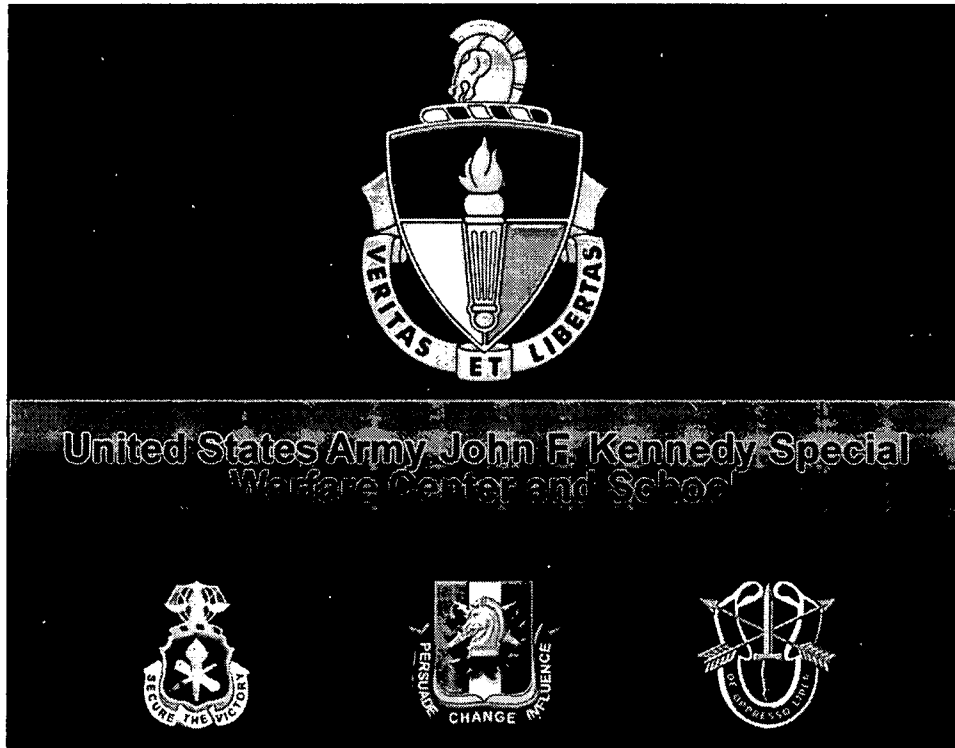
- Biological Detection Companies
- Theater Engineer Commands
- Replacement Companies
- Civil Affairs Commands
- Training Divisions
- Railway Units

... more than two-thirds of the Army's:

- Expeditionary Sustainment Commands
- Combat Support Hospitals
- Mortuary Affairs Units
- Civil Affairs Brigades
- Dental Companies
- Army Water Craft
- Medical Brigades
- Petroleum Units
- PSYOPS Groups

... and nearly half of the Army's:

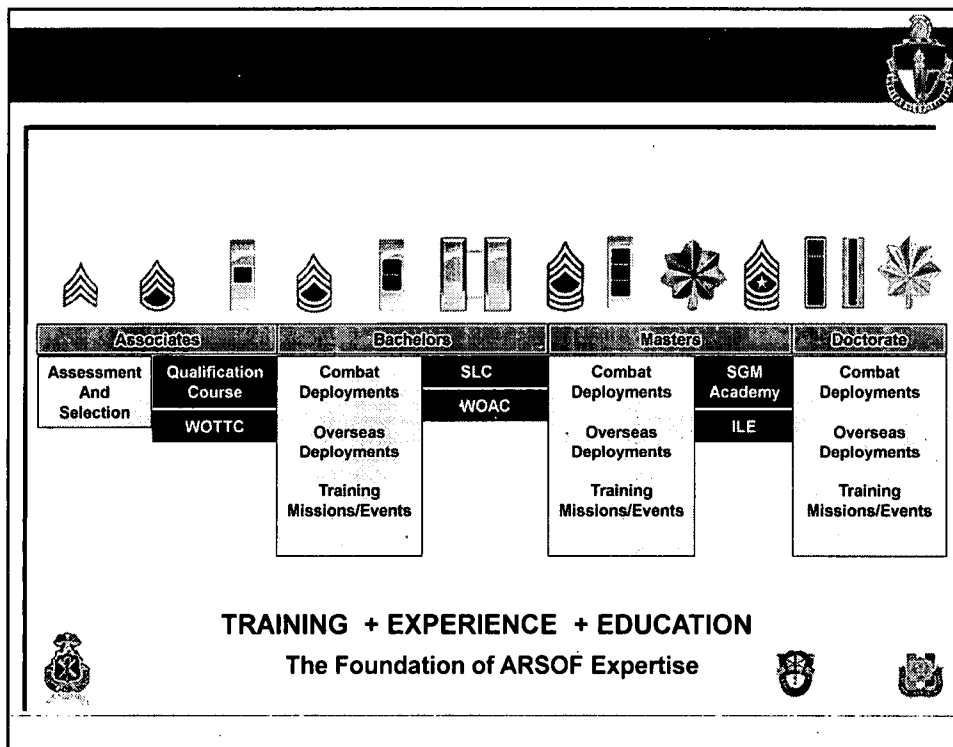
- Information Operations Groups
- Military Police Commands
- Aviation Units
- Medical Units
- Supply Units



TRAINING + EXPERIENCE + EDUCATION

TACTICAL

The SOF Soldier must be looked at holistically. For our force to succeed, we must blend training, experience and education to produce special operators who are highly trained in warrior skills and broadly educated with leadership qualities based upon humility, critical thinking, comfort with ambiguity, acceptance of prudent but calculated risks and the ability to make rapid adjustments based upon a continuous assessment of the situation.



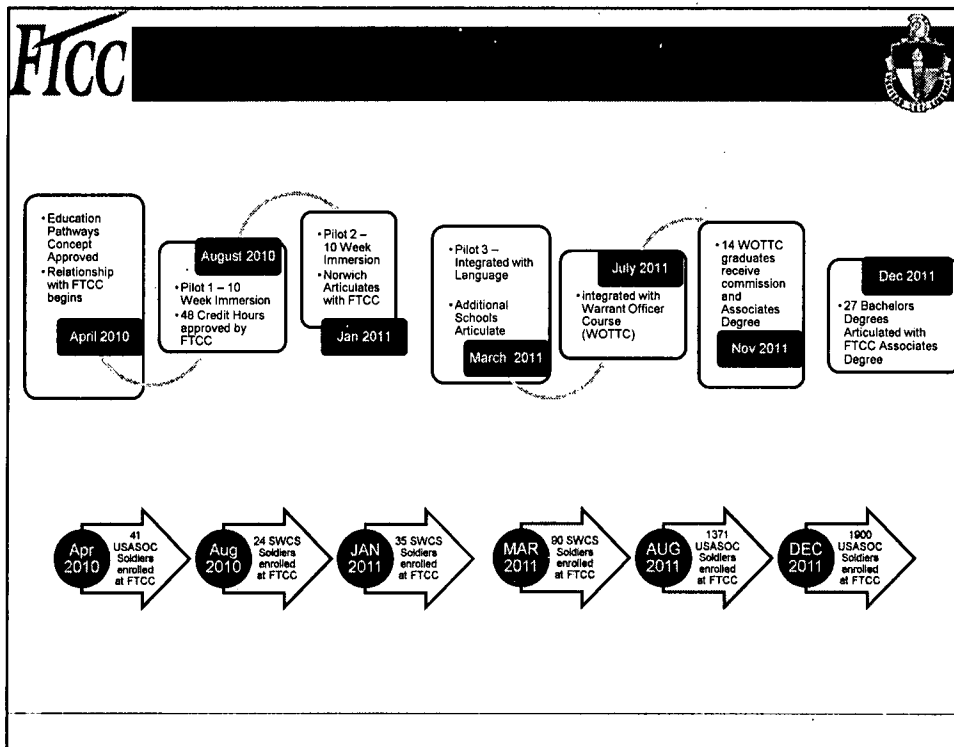
Concept:

- All active-component Soldiers entering the CA, MISO or SF qualification courses without an associate's degree enroll in a civilian institution as part of the qualification course (6 additional classes or 17 credits plus completion of the qualification course equals an associate's degree).

49 Hours College Credit from the Q-Course + 17 Resident Credit Hours = Associate's Degree

Current Status:

- Partnership with Fayetteville Technical Community College (FTCC) – degree in general education with a concentration in global studies or Emergency Medicine
- All Qualification Course graduates receive at least 48 hours of college credit



Concept:

- 2-year + 2-year option that allows the associate's degree earned during the qualification course to dovetail into a relevant bachelor's program. Completion time is dependent on military occupational specialty (MOS), but it is intended to coincide with completion of the Senior Leaders Course (SLC).

Equation:


FTCC Degree or 60 Hours of College + 30-45 Resident Credit Hours + 15-30 Transfer Credits = Bachelor's Degree

Partners: Seeking partners that fully accept the FTCC degree


- 5 UNC System Universities have partially or fully articulated the FTCC degree into a total of 17 bachelors degrees.
- All partner schools offer dL classes on a flexible schedule

Former Qualification Course Graduates:


- Any Soldier can begin the program at any time, but the most efficient method is through the completion of the FTCC associate's degree.




BS - Emergency Medicine



BA in Multidisciplinary Studies – Eastern Emphasis
 BA in Multidisciplinary Studies – Eastern Religions Emphasis
 BS in Business Education in Information Technologies
 BS in Industrial Distribution and Logistics
 BS in Industrial Technology




BA – Leadership in the Public Sector

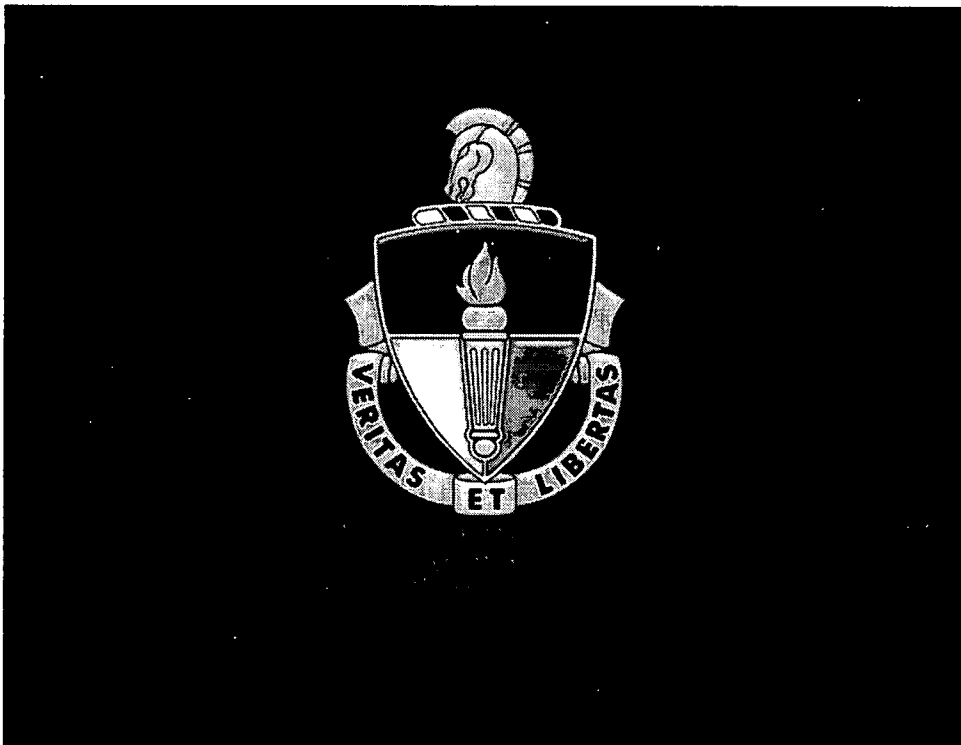


BIS in Interdisciplinary Studies
 -Sociology
 -Economic Development
 -Advertising
 -Operations Management
 -Information Technology
 -Non-Governmental Operations
 -Administration

BA in Criminal Justice
 BS in Exercise and Sports Science (Exercise Physiology)



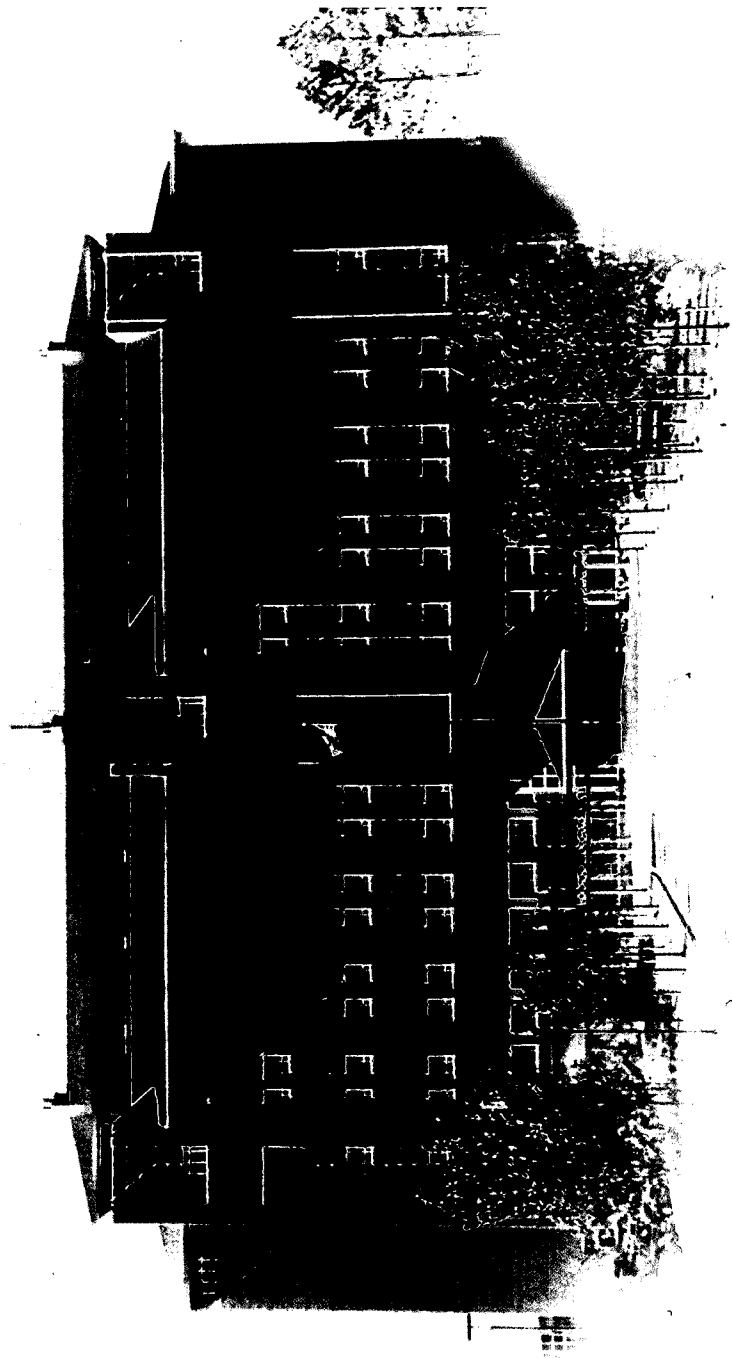
BAS – Intelligence Studies



Womack Army Medical Center



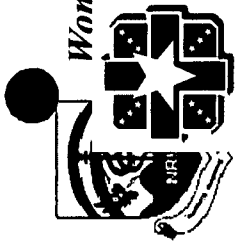
Womack Army Medical Center



January 30, 2012

**The North Carolina House of Representatives
Select Committee on Military Affairs**

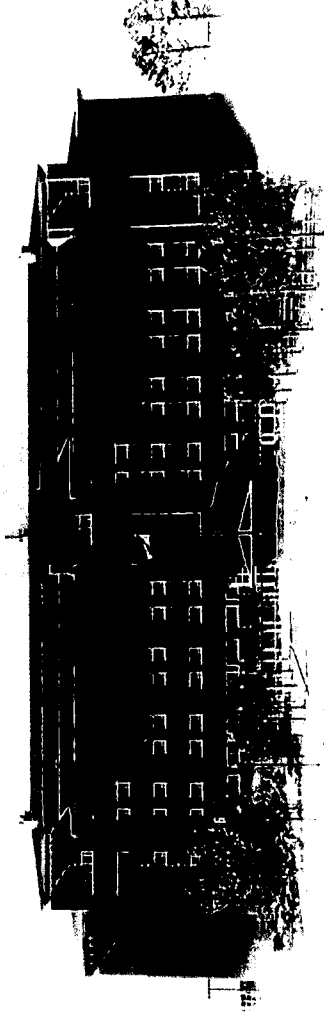
Dignity and Respect



Womack Army Medical Center

Womack Army Medical Center

{Opened 18 March 2000}

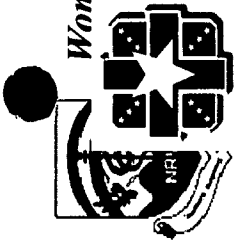


Mission

Provide the highest quality health care, maximize the medical deployability of the force, ensure the readiness of Womack personnel, and sustain exceptional education & training programs.

Serve Ft. Bragg, NC: one of the largest complex Power Projection Platforms; providing healthcare to 117,000 enrolled beneficiaries

Dignity and Respect



Womack Army Medical Center

Average Day at Womack



Clinic Weekday Encounters

3,314



Babies born

9



Surgical procedures

28



X-rays, CT Scans and MRI's

1,030

Pathology procedures

3,813

Prescriptions filled

6,464



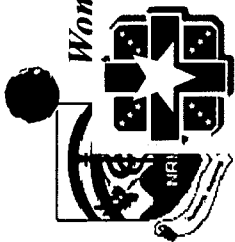
Emergency Room Encounters

190

Deployed Individuals

44





Womack Army Medical Center

Unclassified

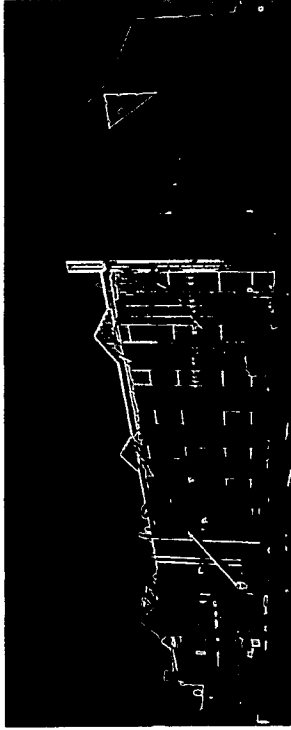


MILITARY CONSTRUCTION

3- Knox Street Clinic

1- Overview

- A- Largest Family Medicine Residency Program
- B- Largest Warrior Transition Battalion in the Army
- C- Integrated TBI/NeuroRehab Center
- D- Top ranked Oral & Maxillofacial Surgery Residency
- E- Top ranked Nurse Anesthesia Program
- F- Busiest volume Pharmacy in the DoD
- G- Busiest Emergency Department in the DoD



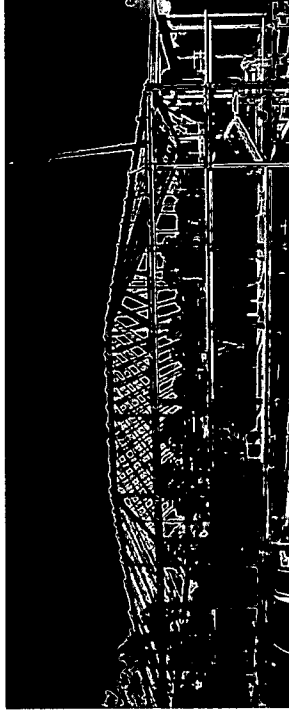
- A- BRAC Medical MILCON project; 49,925 sf
- B- 4th Qtr FY10 - 4th Qtr FY12; \$27M; 38% complete
- C- Corner of Knox and Woodruff Streets

2- WTB Complex



- A- New complex for Wounded Warriors
- B- 11 Feb 10 - 12 Mar 12; \$88M; 98% complete
- C- Normandy Road, next to Tolson Youth Center

4- WAMC Health & Support Center



- A- Supports BRAC and Grow the Army; 63,500 sf
- B- 4th Qtr FY10 - 1st Qtr FY13; \$14.7M; 29% complete
- C- Located on WAMC Main Campus

Oct 11	WAMC Health and Support Center Completion	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12	Jul 12	Aug 12	Sep 12	
Oct 12	Nov 12	Dec 12	Jan 13	Feb 13	Mar 13	Apr 13	May 13	Jun 13	Jul 13	Aug 13	Sep 13

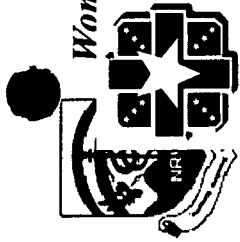
WTB Complex Completion

WTB Complex Completion

WTB Complex Occupancy

Hospital Alteration Project Awarded

Knox Street Clinic Completion



Womack Army Medical Center

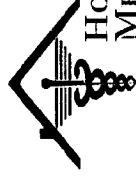
Patient-Centered Medical Home



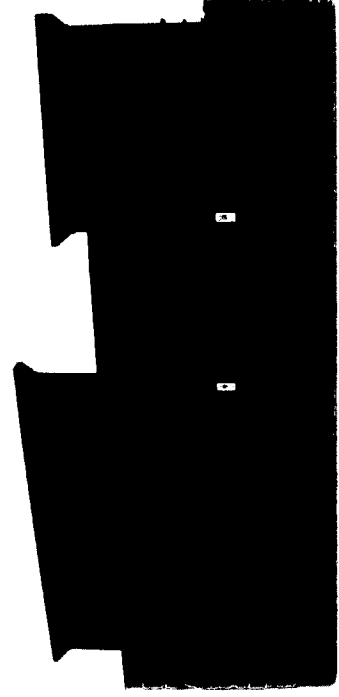
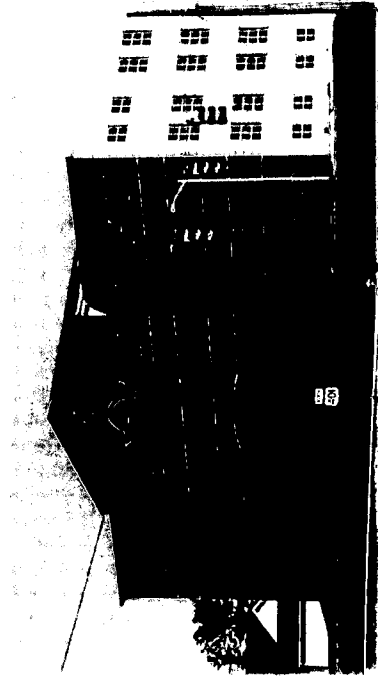
- Future of Family Medicine
 - More accessible, personalized and comprehensive care with your assigned PCM
 - Continuity with one PCM leads to quality care
 - Team centered model around preventive healthcare and wellness
 - Achieving National Committee for Quality Assurance (NCQA) certification
 - Facility enhancement and technology upgrades



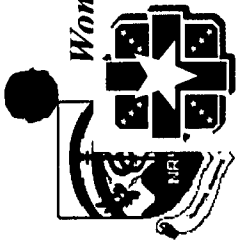
FAYETTEVILLE
MEDICAL HOME



HOPE MILLS
MEDICAL HOME



Dignity and Respect



A Decade of War



Department of the Army Pressing Issues

- 2 prolonged wars over a period of 10 years
- Invisible Wounds to Soldiers and Families
- Post Traumatic Stress Disorder
- Traumatic Brain Injuries
- Increase in Medical Evaluation Boards (MEB)
- Warriors in Transition
- Increased demand for Soldier and Family Member Psychological Health

Behavioral & NeuroRehab Initiatives

- Traumatic Brain Injury Clinic
 - Multi-discipline Neuro Rehab to AD Soldiers with ongoing TBI symptoms
- Child and Family Assistance Centers
 - Integrated and direct behavioral health care center for families
- School Behavioral Health
 - Behavioral health programs embedded in schools to support military dependents

Integrated Disability Evaluation System

- Seamless, transparent disability evaluation system
- Jointly administered by DoD and the VA
- Replaces and reforms the current Physical Disability Evaluation System
- Service member-centric initiative
- Eliminates duplicative elements of the two processes
- Single-sourced disability rating system
- Shortened process and provides closure when complete

Support Needed

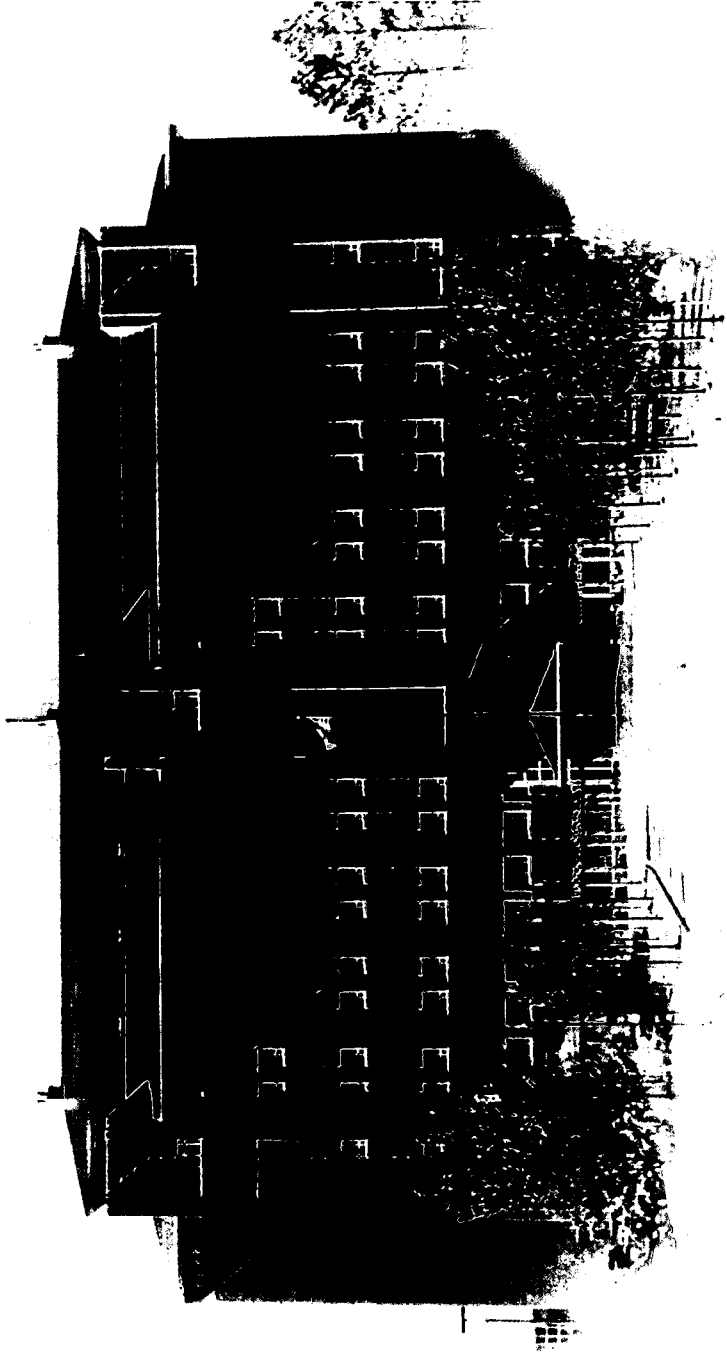
- Ambulatory Care Clinic
 - New Military Construction Clinic to support WTB, IDES, MEBs, and additional missions to return Soldiers to deployable status or leave the service
 - Request Congressional budget insert for this project
- Add 600 parking spaces to accommodate patient overflow

Dignity and Respect



Womack Army Medical Center

Womack Army Medical Center



Questions or Comments?

Dignity and Respect

N.C. residency rule hinders veterans going to school

BY PAUL WOOLVERTON - The Fayetteville Observer

PUBLISHED IN: EDUCATION

Military veterans who want to attend college in North Carolina are encountering a roadblock to their plans to further their education: the state's residency laws combined with new restrictions in the GI Bill.

Related Stories

Related Images

The GI Bill is intended to provide former military personnel with scholarships to get their college degrees. But in August, the GI Bill was changed. It no longer pays out-of-state tuition rates at public universities and community colleges, said Mark Waple, a lawyer who represents the Student Veterans Advocacy Group of North Carolina.

Veterans who haven't become North Carolina residents must make up the difference between the in-state tuition rate and the much higher out-of-state rate until the state accepts them as in-state students.

In North Carolina, that takes a year of living here.

According to data that Waple gathered, about 420 student veterans in the state's 16-campus university system are affected by the change in the GI Bill and the residency restriction.

The GI Bill change and residency restrictions also affect veterans who want to attend North Carolina's 58 community colleges, Waple said.

They have to wait

Johnny N. Allen of Hoke County ran into the restrictions this fall. In August, he moved to North Carolina after he retired from a 30-year career with the Coast Guard, he said. He wanted to attend Fayetteville State University starting in January to get a degree to become a middle-school math teacher and use the GI Bill to pay for it.

North Carolina's residency restriction meant that Allen's tuition would be \$7,986.50, according to Fayetteville State's published out-of-state tuition rate, versus \$2,680.50 as an in-state student.

Because of the GI Bill's restriction, Allen would have had to make up the \$5,306 difference. He decided to take online classes at another school - fully covered by the GI Bill - while he waits for North Carolina to decide he is a permanent resident.

Another program called The Yellow Ribbon Program sometimes is used to make up the difference between in-state and out-of-state rates. Fayetteville State doesn't participate in this program.

The state shouldn't make veterans wait a year to obtain in-state tuition, Allen said.

Lobbying in state

The university is sympathetic and concerned about the issue, but it can't do anything unless the federal government changes the GI Bill or the state changes its laws regarding in-state residency, said Emily Dickens, the university's director of government and community affairs.

Allen asked state Rep. Garland Pierce, who serves Hoke County, for help. Pierce, a Fayetteville native and Army veteran, said he would support legislation to change the residency rules for veterans.

Waple and the Student Veterans Advocacy Group are lobbying the state legislature and Congress to change the residency law and the GI Bill.

Jason Thigpen, an Army National Guard veteran from Wilmington, said the advocacy group formed nearly a year ago to help student veterans appeal when they were denied in-state tuition at UNC Wilmington. He said it has helped 20 students. Now it wants the laws changed so it can stop dealing with the issue on a case-by-case basis.

The legislature's next major lawmaking session is scheduled to begin in May. A bill to help the veterans could be taken up then.



Academic Affairs

ENROLLMENT

- Usually 15% - 18% of FSU's total enrollment compared to @3% for the UNC system; two institutions have @ 6%
- Put differently, FSU served 1,007 of the 6,745 (14.9%) military affiliated students in UNC in 2010-11.
- Military-Affiliated: 893
 - Active Duty and Dependents: 320
 - Veterans: 573
- 41 courses offered in 2011-12 at Fort Bragg with total enrollment of 556 (includes duplicated headcount)
- MBA courses offered via interactive television at Seymour Johnson Air Force Base. Seven students currently enrolled.

SERVICES FOR ACTIVE DUTY

- In December, FSU signed the Department of Defense – Memorandum of Understanding which sets out terms for enrolling soldiers and receiving Tuition Assistance.
- FSU participates in Servicemembers Opportunity College Army Degree (SOCAD) consortium, which means we will accept credit from any consortium school to assist soldiers who identify FSU as home institution.
- FSU awards university credit for military experience using the Military Registry Transcript and guidelines from the American Council on Education (ACE).

SERVICES FOR ACTIVE DUTY

- Online degree programs (Criminal Justice, Sociology, and Psychology) were developed to enable us to serve soldiers more effectively.
- FSU offers courses (University Studies, Math, Psychology) to soldiers in the Warrior Transition Battalion to help them prepare for possible future enrollment in college.
- FSU has established articulation agreement that permits Special Operations soldiers to transfer seamlessly from FTCC to FSU's Intelligence Studies Program.

SERVICES FOR VETERANS

- FSU's Veterans Students Organization provides a network of support for fellow veterans, active military and family members.
- FSU has received a \$7,500 Community Blue Print grant through the *Give an Hour* organization to collaborate with campus and community partners to provide services to veterans.
- FSU offers counseling to veterans on main campus, the Fort Bragg Education Center, and Seymour Johnson AF Base.
- In February, we will open the Veterans Student Services Center in Bronco Square, which will provide a space dedicated exclusively to serving veterans. (Funded by reallocation of existing resources.)

ORGANIZATIONAL CHANGES

- To improve efficiency and effectiveness, we have taken the following actions:
 - Appointed Director of Military-Affiliated Students, who supervises Fort Bragg Center and the Veterans Service Center.
 - Assigned an Assistant Vice Chancellor the role of helping to improve retention of military students.
 - Established Office of Online Education to provide a single point of assistance for issues associated with on-line education; this is an especially important resource for military students.
 - (All of these have been funded by reallocation of existing resources.)

Army ROTC

MISSION

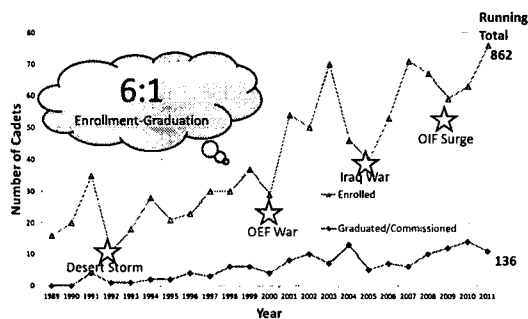
Commission 2LTs That Are:

Competent
Confident
Motivated

OVERVIEW

- Organization: (230 Cadets)
 - Campbell University (Host)-116
 - FSU-57
 - Methodist University-26
 - UNC-Pembroke-31
 - Classes
 - Military Science (MS) 100, 200, 300, 400
 - Leadership
 - Customs and Courtesies
 - Tactics and Techniques
 - Effective Communication
 - Training
 - Weekly Physical Training
 - Weekly Lab-Local Training
 - Monthly Weekend Field Training Exercises
 - Yearly Assessment (MS-III's) Ft. Lewis, WA (4 Weeks)
- FSU Army ROTC Makes a Difference
- The Smartest College Course You'll Ever Take!
- The Most Important Summer of Your Life

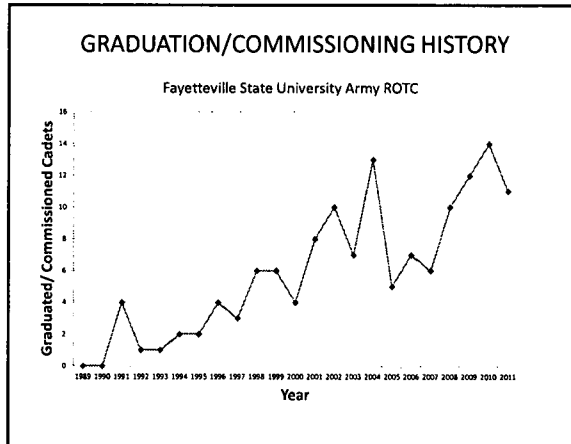
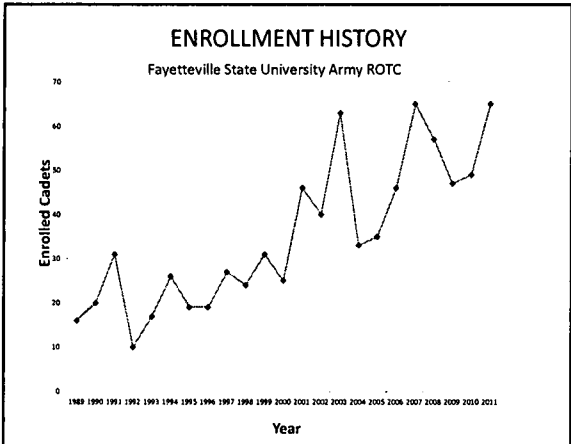
**FSU ARMY ROTC
23 Years of History**



DEMOGRAPHICS

Total Army ROTC Population-57

• Male	33	58%
• Female	24	42%
• African American	37	65%
• Caucasian	15	25%
• Other	5	10%

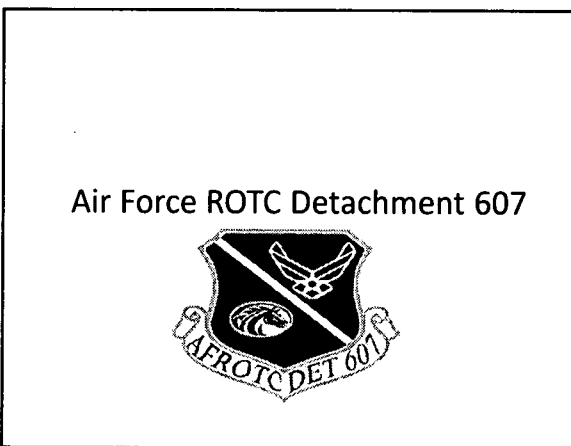


NC SCHOOLS COMPARISON (ROTC Enrollment/Commission)

School	Last Year	
	Goal	Grad's
• FSU (Campbell)-230	30 (38)	38 (55)
• UNC-Charlotte-151	18	14
• NCSU-149	22	23
• Appalachian State-124	18	20
• ECU-101	14	14
• UNC-Chapel Hill-59	14	16
• Wake Forest-45	15	11
• Duke-26	10	5

- ### SUCCESS STORIES
- Cadet Susan Lawrence-now Lieutenant General (Stars) Class of '79
 - Cadet Jeff Bannister-now Brigadier General (1 Star) Class of '85
 - Cadet Donnie Thomas-now Colonel (O-6) Class of '89
 - Cadet Ed Pethan-now Lieutenant Colonel (O-5) Class of '89

- ### CONCERNS
- Contracting Limits
 - SY 2014-15 and Beyond
 - Order of Merit List (Sophomores)
 - GPA
 - Physical Training Test
 - Participation
 - Academic Major
 - ROTC Scholarships-Difficult to Earn
 - Room and Board (More is Better)
 - Tuition (NC National Guard-SMP)
 - Other



DET OVERVIEW

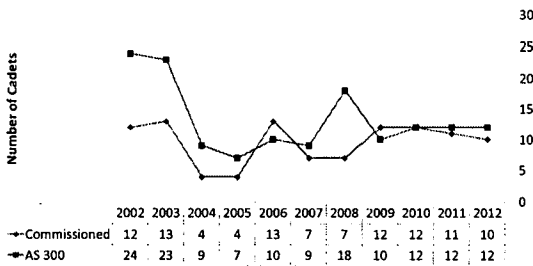
- Charter 1 Jul 1973 (15 cadets)
- AS 100 – Personal Leadership
- AS 200 – Interpersonal / Peer Leadership
- AS 300 – Team Leadership
- AS 400 – Organizational Leadership
- PT/ Leadership Lab
- Field Training
- Guest Speakers

CADET PRODUCTION

AS Yr ↓FY	AS 100	AS 200	AS 300	AS 400	AS 700/800	Total	Contract	Comm (This FY)
2002	70	16	24	13	3	126	50	17
2003	30	12	23	13	3	81	44	12
2004	32	34	9	13	4	92	32	13
2005	28	33	7	5	1	74	19	4
2006	48	10	10	13	0	81	26	4
2007	43	20	9	9	0	81	23	13
2008	39	28	18	8	1	94	32	7
2009	51	24	10	15	2	102	32	7
2010	36	24	12	10	2	84	39	12
2011	34	27	12	12	6	91	28	13
2012	30	15	12	10	4	69	20	11*

CADET PRODUCTION

11 Year Snapshot



CONCERNS

- Scholarship requirement changes
- Room and Board Scholarship
- Fiscal demands

SUCCESS STORIES

- Colonel (Ret) Bobby Washington ('74) 1st Grad
- Colonel Allen Jamerson ('86) selected for BG
- Capt Tandon Mardis ('07) Instr Pilot Columbus AFB
- 2 Lt Tamika Portee ('11) President Green Team
- Cadet Tyshera Eggleston ('11) FSU Valedictorian
- Cadet Joshua Morales (12) Wg CC – Cross Creek
- Cadet M. Richardson ('13) VP Green Team

FSU-ARMY MASTER OF SOCIAL WORK PROGRAM PARTNERSHIP

PURPOSE

The purpose of the FSU-Army Master of Social Work (MSW) Program is to increase the number of social workers within the military.

FUNDING

FSU-Army Master of Social Work (MSW) Program is funded through a contract with the United States Army.

STUDENT ENROLLMENT

Currently there are 40 students enrolled within the FSU-Army MSW Program at Fort Sam Houston, Texas.

FACULTY AND STAFF AT FSH

- Dr. Dexter Freeman - Director
- Dr. Larry Applewhite - Clinical Associate Professor
- Dr. Jill Henderson - Dep. Director
- Mr. Reginald Howard - Clinical Coordinator
- Dr. Norma Jones - Associate Clinical Professor
- LTC. Steve Lewis - Chief Behavioral Health Division
- Ms. Sandra Posada - Field Coordinator
- Ms. Wilma Ambrose - Education Technician

NUMBER OF FSU-ARMY MSW GRADUATES

Class of 2008-2009: 15
Class of 2009-2010: 12
Class of 2010-2011: 29

**REPRESENTED MILITARY BRANCHES
WITHIN FSU-ARMY MSW PROGRAM**

- ARMY
- NATIONAL GUARD
- NAVY
- Non Medical Service Officers (MS)



WHO ARE WE?

- The Veterans Business Outreach Center is a program of the U.S. Small Business Administration administered by Fayetteville State University and the School of Business and Economics. The Center is now in Year 2 and employs one Director and one Business Counselor. It operates from a 5 Year Grant of \$150,000 annually, renewable each fiscal year based on center performance. The Center is now budgeted for Year 3. Fayetteville State University contributes \$16,000 annually to the grant.
- The Center functions as a business and technology entrepreneurial start-up and extension service for veterans, active duty military transitioning to civilian life, Army National Guard, reserve components, and spouses of the above.

MISSIONS

The 2 primary missions of the VBOC:

- To support local and regional economic development by providing assistance to veterans in the start-up, successful operation and expansion of veteran-owned small businesses.
- To facilitate entrepreneurial and technology development within the state's veteran business community by assisting other economic development organizations and resource partners to develop effective policies and programs for veterans.



WHAT DO WE DO?

We carry out our mission by:

- Marketing directly to the veteran community.
- Face-to-face counseling with veteran clients. The VBOC currently has 257 active clients.
- Training through both onsite and offsite workshops and seminars. The VBOC offered 42 separate training events in Year 1.
- Specialized programs such as :
 - 1) The Entrepreneur Boot Camp for Veterans, a week-long immersion program held annually on site here at FSU. The first class graduated 22 veteran entrepreneurs. The 2nd Annual EBC will commence in February 2012.
 - 2) The North Carolina Veterans Outreach Initiative - held in four cities during the summer and fall of 2011.
 - 3) A four session workshop, two hours each session, presented at Ft. Bragg and Camp Lejeune.

RESOURCE PARTNERS

The VBOC engages North Carolina resource partners in an active program of both referrals and program collaboration. In Year 1, our resource partners included:

- UNC Chapel Hill
- NC State University
- NC Community Colleges
- NC Small Business Technology and Development Centers (SBTDC)
- NC Procurement Technical Advisory Centers
- Army Career and Alumni Program (ACAP)
- Transition Assistance Program (TAP)



VBOC RESULTS

- In year 1, VBOC clients started 23 veteran-owned small businesses and created 263 new jobs.
- Year 2 results are on track to surpass year 1 results.
- In year 1, the VBOC counseled 229 veteran clients and served an additional 515 veterans and spouses through training seminars and workshops.
- Thus far, in year 2, the VBOC has counseled 206 veteran clients and served an additional 511 veterans and spouses through training.
- In aggregate, the VBOC to date has served 1,461 veterans or spouses.

ENTREPRENEUR BOOT CAMP 2011

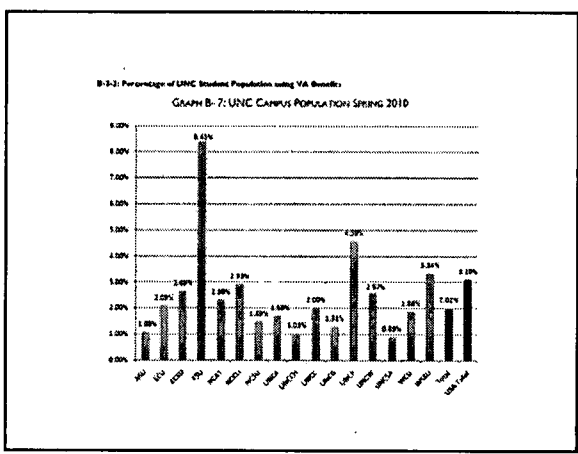
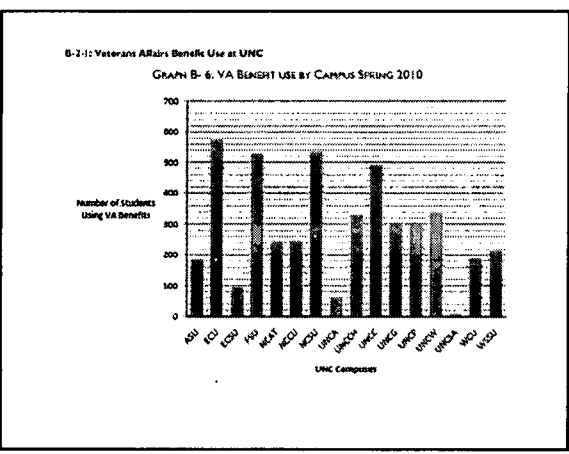


UNC SERVES

- ### GOALS
- Assist and encourage qualified military-affiliated students to identify and enroll in UNC programs best suited to meet their educational needs.
 - Ensure an academically rigorous learning experience for military-affiliated students & veterans that is relevant, attractive, and convenient.

- ### GOALS
- Provide a coordinated system of support services to enhance military-affiliated student success. Establish a campus environment that values and appreciates military-affiliated students.
 - To fulfill the promise of UNC Tomorrow for North Carolina's Military Family through effective Military Relations to positively impact the North Carolina Military family and the State of North Carolina.

- ### OUTCOMES
- In January 2012, the UNC General Administration will launch a new military web portal. The portal will communicate the UNC system commitment to service members and their families, particularly as it relates to degree completion, research, custom courses, and internship opportunities. The goal is to have one front door for our military partners and students. Of course, all roads will lead to you – the campuses of UNC – where the great things actually happen...
 - The UNC One Stop office at Fort Bragg is now called "UNC at Fort Bragg." The UNC at Fort Bragg office has moved from the base education office to the USASOC/SWCS headquarters on Fort Bragg. UNC at Fort Bragg is collocated with Fayetteville Technical Community College. This change enables UNC institutions to intake as many of the USASOC (and other soldiers) moving through the FTCC Associates Degree pipeline. FTCC now has more soldiers enrolled at the USASOC site than at the main Fort Bragg Education Center location.

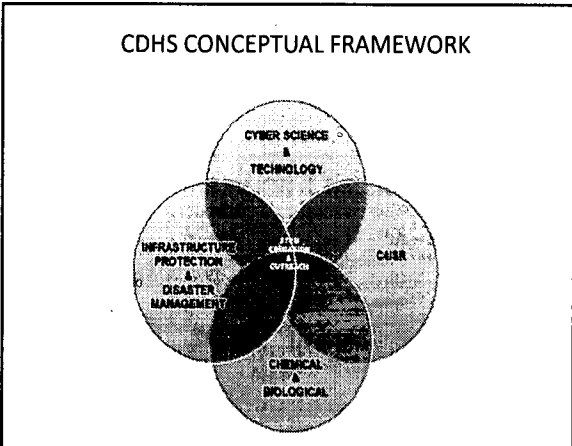
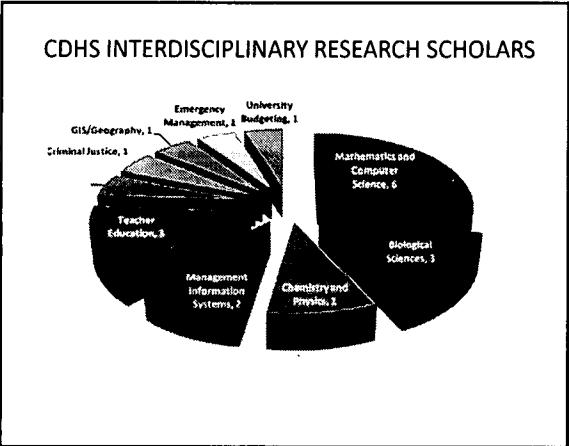


The Center for Defense and Homeland Security

...An engine of innovation to develop the next generation of National Security workforce.

CDHS VISION & MISSION

- Vision:** The Fayetteville State University Center for Defense and Homeland Security will become a Center of Excellence to develop the next generation of National Security workforce.
- Mission:** The Center for Defense and Homeland Security mission is to foster STEM education, research and the commercialization of scientific technologies with National Laboratories, industry partners, institutions of higher education, the Department of Defense (DOD), the Department of Homeland Security (DHS), and other federal, state, and local entities, in support of the mitigation and recovery of natural and man-made catastrophic disasters, within the U.S.



CDHS SPECIFIC GOALS

- Develop the next generation of National Security Workforce
- Become a certified DOD-DHS Center of Excellence
- Place a special emphasis on Cyber Security and Computer Science
- Strengthen relationships between FSU and external SME's (scholars, national labs, industry partners)
- Utilize the intellectual capital and experience of FSU faculty and alumni

CDHS ADVISORY BOARD

- Dr. James Anderson**
Chancellor, Fayetteville State University
- Dr. Thomas Conway**
Chief of Staff and Vice Chancellor, Fayetteville State University
- Dr. Evans**
Director, MIT Lincoln Lab
- Dr. Joseph P. Trent**
Oak Ridge National Lab, Unit Head, Cyberspace Sciences and Information Intelligence Research (CSIR) Group
- Cathy S. Fore**
Director, Collaborative Initiatives, Oak Ridge Associated Universities
- Dr. Gavin Smith**
DHS Center of Excellence - Disasters, Coastal Infrastructure & Emergency Management (DIEM), Chapel Hill
- Dr. Randy Avent**
NC State, formerly employed at Office of the Secretary of Defense and Lincoln Lab
- Dr. Bairywal Madhu**
CEO IEM
- Randy L. Moore**
President & CEO, RLM Communications, Inc.
- Dr. Jon Young**
Provost and Vice Chancellor for Academic Affairs, Fayetteville State University
- Dr. Curtis Charles**
Senior Associate Vice Chancellor/Director, CDHS/Office of the Chancellor



UNC

Systemwide
Evaluation &
Recommendation for
Veterans
Education &
Services



March 2011
Report to the
President

UNC SERVES

March 2011 Report to the President

Our nation has a tradition of offering education benefits to its veterans. In the 1940s, the first "G.I. Bill" was transformative for the 7.8 million veterans that used the benefit. For every dollar invested in veterans, seven dollars were generated. Veterans earn better grades and have a 75 percent graduation rate. With the exception of white males, veterans in all other race and gender groups earn more money than their non-veteran counterparts. Veterans start more small businesses. In general, Veterans outperform non-Veterans.

The first G.I. Bill sparked economic growth and expansion for a whole generation of Americans; a more robust G.I. bill holds the same potential for today's economy. This could not be truer than for North Carolina. To realize this potential our state must actively support military-affiliated students in its systems of public higher education. We want these students to choose a UNC education and we want them to live and work in North Carolina. The UNC SERVES Working Group believes that educating service members yields a high return on investment for North Carolina and the nation. And, in doing so the University makes a significant down payment on the promise of UNC Tomorrow to be more demand-driven, relevant and responsive to the needs of North Carolina.

The *UNC SERVES Report to the President* is a recommendation for first steps toward fulfilling the promise of UNC Tomorrow for North Carolina's military family. And, in light of the next Base Realignment and Closure process scheduled for 2015, we want to continue to demonstrate why North Carolina should receive continued military investment. While this report does not recommend all that *can be done* to improve access, retention and graduation rates for military-affiliated students at UNC, the UNC SERVES Working Group believes that this report recommends that which *can be reasonably tackled and achieved* at this time.

The UNC SERVES Working Group intends for this document to represent a "stake in the ground" to reaffirm the University's commitment to North Carolina's military. To borrow a phrase from Uncle Sam – we want you in the University of North Carolina.

Goal

Improve
access,
retention and
graduation
rates for
active-duty
service
members,
Veterans,
and their
families at
UNC
institutions.

★ ★ ★ ★ ★ ★ ★ ★ Working Group Members ★ ★ ★ ★ ★ ★ ★ ★

Ann Marie Beall (UNC-Wilmington), Chair
 Dr. Thomas Conway (Fayetteville State University), Chair
 Dr. Steve Duncan (East Carolina University), Chair

Committee I: Access (Ann Marie Beall, Chair)

Goal: Assist and encourage qualified military-affiliated students to identify and enroll in UNC programs best suited to meet their educational needs.

Admissions, Financial Aid, Enrollment, Residency, Orientation, Marketing, Recruitment Communication, Institutional Reporting, Yellow Ribbon Program, Transfer of General Ed Credit, Compulsory Separation, Transfer Articulation, Ft. Bragg "One-Stop Center"

Ann Marie Beall	UNC-Wilmington, Admissions
Dr. Susan McCracken	Appalachian State University, External Affairs
Dr. Scott Jenkins	North Carolina A&T State University, Institutional Research
Steve Farmer	UNC-Chapel Hill, Admissions
Norma Houston	UNC-Chapel Hill, Faculty, School of Government
Shannon Miles	UNC-Wilmington, Financial Aid
Chuck Gross	Western Carolina University, Military Programs
Dr. Bruce Mallette	UNC General Administration, Academic and Student Affairs
Gilberto Alvarado	Fayetteville State University, UNC One Stop Center

Committee II: Academic Services (Thomas Conway, Chair)

Goal: Ensure an academically rigorous learning experience for military-affiliated students & veterans that is relevant, attractive, and convenient.

Transition, Academic Counseling, Degree Relevancy, Communication, Adaptable Course Offerings, Distance Education, Transfer of Departmental Credit, Separation & Readmission Base Education Centers

Dr. Thomas Conway	Fayetteville State University, Chief of Staff
Clayton Sessoms	East Carolina University, Continuing Studies
Dr. Vivian Mott	East Carolina University, Chair, Counselor and Adult Education
Dr. Lou Riggins	Fayetteville State University, Faculty and Transfer and Advisement
Dr. Tracey Ford	North Carolina A&T State University, Advising
Dr. Roger Lowery	UNC-Wilmington, Dept. Chair, Public and International Studies
Dr. Remonda Kleinberg	UNC-Wilmington, Faculty
Dr. Sandie Gravett	UNC Faculty Assembly, Chair
Dr. Richard C. Kearney	North Carolina State University, Faculty
Dr. Jim Sadler	UNC General Administration, Academic Planning
Ryan Beck	UNC General Administration, Military Affairs

Committee III: Support Services and Outreach (Jose Picart, Chair)

Goal: Provide a coordinated system of support services to enhance military-affiliated student success. Establish a campus environment that values and appreciates military-affiliated students.

Veteran Student Life, Disability Services, Health and Wellness, Communication, Community Engagement, Veterans Administration Relations, ROTC Engagement, Campus Engagement

- | | |
|----------------------|--|
| Dr. Jose Picart | North Carolina State University, Diversity and Inclusion |
| Dr. Mary Chakales | UNC-Asheville, Student Affairs |
| Dr. David Spano | UNC-Charlotte, Counseling Center |
| Mary Helen Walker | UNC-Pembroke, Disability Services |
| Matt Goers (Student) | UNC-Wilmington, Student Veterans Organization |
| Amy Hector | UNC-Wilmington, Student Affairs |
| Dr. Joe Wescott | NC State Assistance Authority |
| Logan Cason | UNC-Charlotte, Veteran Student Outreach |
| Aubrey Swett | UNC-Pembroke, Community and Civic Engagement |
| Dr. Karrie Dixon | UNC General Administration, Academic and Student Affairs |
| Craig Kabatchnick | NC Central University, Faculty, School of Law |
| Joshua Green | UNC-Greensboro, Student Affairs |

Committee IV: Strategic Planning (Ron Lingle and Beth Barton, Chairs)

Goal: To fulfill the promise of UNC Tomorrow for North Carolina's Military Family through effective Military Relations to positively impact the North Carolina Military family and the State of North Carolina.

Military Relations, "UNC Online," Marketing, Institutional Planning, Communication, Community College Collaboration, Statutory changes, Independent College & University Collaboration

- | | |
|------------------------|--|
| Dr. Ron Lingle | Coastal Carolina Community College, President |
| Dr. Beth Barton | UNC-Wilmington, Military Liaison |
| Dr. Steve Duncan | East Carolina University, Military Liaison |
| LTC Ken Ratashak | North Carolina State University, Professor of Military Science |
| Holly Danford | North Carolina State University, Veterans Certifying Official |
| Erin Schuettpelz | UNC-Chapel Hill, State Relations and Communications |
| Mike Tarrant | UNC-Greensboro, State and Federal Relations |
| Dan Lewandowski | UNC General Administration |
| Kimrey Rhinehardt | UNC General Administration, Federal Relations |
| Ethan Elliot (Student) | North Carolina State University, Student |

Staff to the Working Group

Kimrey Rhinehardt, Vice President for Federal Relations, UNC General Administration
Ryan Beck, Advisor for Military Affairs, UNC General Administration

★★★★★★★The Charge★★★★★★★

Questions for the UNC SERVES Working Group:

- How are UNC institutions currently serving active service members, veteran students and their families (military-affiliated students)?
- What are the accepted best practices for serving these students?
- What can the University reasonably do to improve access, retention and graduation of these students?
- What are metrics of success for the University in serving these students?

Charge to the UNC SERVES Working Group:

Report and Recommend to the President of the University:

- Evaluation of current state of active duty military and veteran affairs on UNC institutions
- Institutional, systemwide, and state/federal statutory policy changes, regulations and/or guidelines to improve access, retention and the graduation of active duty military and veterans on UNC institutions
- Institutional and systemwide best practices to improve access, retention and the graduation of active duty military and veterans on UNC institutions
- Opportunities for institutional and systemwide improvement

Factors for UNC SERVES Working Group Recommendations:

- Diversity of institutions, including size, capacity, and number of active duty military and veterans
- Constrained resources – Consider all options but prioritize no cost, low cost recommendations
- Return on investment
- Costs should accompany each recommendation, if possible

Definition of Military-Affiliated Student

A military-affiliated student is one who is:

- in Active or Reserve status,
- in Veteran status, or
- a spouse or dependent of a service member in active, Reserve, or Veteran status, and
- in the U.S. Army, U.S. Navy, U.S. Marine Corps, U.S. Air Force, U.S. Coast Guard, Army National Guard, Army Reserve, Marine Forces Reserve, Navy Reserve, Air National Guard, Air Force Reserve, or Coast Guard Reserve.

Exclusions from UNC SERVES

- Research policies or practices,
- Pre-deployment training or “reach back” development, and
- Recommendations for specific Academic content or Academic program development.

The End State

- Position the University to attract, retain and graduate military-affiliated students.
- Develop a systemwide approach to supporting military-affiliated students and the campuses that serve them.
- Enable campuses to share information, best practices and possible solutions for system-wide issues facing military-affiliated students.

National Need

For nearly a decade, American men and women have been engaged in wars in Iraq and Afghanistan. Our nation is in an “era of persistent conflict” and our armed forces are serving the American people in various capacities around the world. Institutions of higher education are critical to the military’s strategy to develop, prepare and deploy the leaders required for current and future global conflicts. Active duty service members totaled nearly 1.5 million at the end of January 2011ⁱ and, each year approximately one-third of these service members enroll in post-secondary education using Department of Defense Tuition Assistance funds.ⁱⁱ

Veterans are entitled to education benefits. Veterans who have served since September 11, 2001 have earned additional educational benefits. These benefits are the most comprehensive educational benefits since the “Servicemen’s Readjustment Act of 1944,” also known as the “GI Bill.”

The original GI Bill is said to have produced 50 years of economic prosperity for America. With over 2 million service members having served since 2001, the Post 9/11 GI Bill has the potential to unleash the next “Greatest Generation” and reinvigorate economic prosperity.

Active duty military and veterans are non-traditional students with non-traditional needs and experiences. These students work full-time jobs, often in some of the most remote locations in the world. Veteran students are attempting to integrate themselves into civilian society while simultaneously dealing with serious social and emotional challenges. The University is not immune to these challenges.

Since July 2009, the American Council on Education and the Lumina Foundation issued three major reports on higher education support for service members, veterans and their families.ⁱⁱⁱ In general, these reports reinforce the need for all institutions of higher education to:

- collect data on these students;
- train faculty and staff about the military population – particularly staff that must process student accounts and financial aid;
- provide disability and mental health services;
- extend consistent transfer of credit guidelines and transparency of the guidelines;
- provide targeted orientation and information sessions for these students; and
- establish a campus-based student veterans group to provide support among peers.

North Carolina and the Military

In North Carolina, the military is more than just a federal government presence – the soldiers, sailors, Marines, airmen, Coast Guardsmen and their families are part of the North Carolina family. As such, the University endeavors to fulfill the promise of UNC Tomorrow for all North Carolinians and most especially for North Carolina’s military family.

America can succeed only with leaders who are themselves full-spectrum in their thinking.

The military will not be able to train or educate you to have all the right answers – as you might find in a manual – but you should look for those experiences and pursuits in your career that will help you at least ask the right questions.

The diversity of experiences and essential adaptability of this generation are crucial to dealing with the complexity of conflict in this century.

Robert Gates, Secretary of Defense
To the Cadets of the United States Military Academy
(West Point, NY)
February 25, 2011

North Carolina has the third largest active duty, National Guard, and Reserve presence in the country where just five states host roughly half of the nation's armed forces. On a per capita basis, North Carolina has the highest percentage of the total active duty, National Guard and Reserve personnel in the country. And, North Carolina's active duty military population continues to grow. The projected economic impact of the military in the state will be nearly \$26.3 Billion in 2013. While these figures are significant, they do not account for economic growth resulting from military-affiliated students seeking a higher education and transitioning to private sector employment, including new small business.

8.2 percent of North Carolinians claim veteran status. According to the American Council on Education, veterans comprise roughly 3.1 percent of undergraduate students on campus. Only four UNC institutions meet this 3.1 percent average with two institutions well exceeding it (Fayetteville State University, 7.5 percent and UNC-Pembroke, 4.6 percent). The University of North Carolina does not track students using military tuition assistance benefits and has no enrollment data on active duty military students. Select data provided by the Camp Lejeune Base Education Office shows that UNC institutions are not enrolling many active duty Marines seeking a higher education using Tuition Assistance (FY 2010 totals as of February 2011):

Institution of Higher Education	Students	Classes	Tuition Assistance
For Profit Institution - Online	1470	3820	\$2,742,762.50
For Profit Institution - Online	176	481	\$360,375.00
NC Private University	228	726	\$456,601.00
NC Community College	595	1674	\$254,256.61
For Profit Institution - Online	63	191	\$153,500.00
East Carolina University	1	5	\$3,750.00
Fayetteville State University	1	2	\$495.00
For Profit University - Online	64	198	\$139,850.00
For Profit University - Online	57	156	\$126,450.00
Private University – Out of State - Online	68	195	\$145,687.50
NC Private College	1	3	\$2,250.00
North Carolina A&T State University	1	2	\$726.00
North Carolina State University	2	3	\$2,205.00
For Profit University - Online	357	820	\$481,541.30
Private University – Out of State	9	22	\$16,500.00
Public University – Out of State	51	163	\$108,975.00
For Profit Institution - Online	296	885	\$647,400.40
Public University – Out of State	109	268	\$179,174.75
UNC-Chapel Hill	4	5	\$2,430.00
UNC-Wilmington	5	18	\$5,093.83
For Profit Institution - Online	45	105	\$78,720.00

When combining the active duty and the veteran student populations – it is clear that the University can do more to attract, retain and graduate these students.

During UNC Tomorrow community listening forums held across the state, the public emphasized the importance of “soft skills” and other critical knowledge and skills for global competitiveness. Interestingly, these skills align with the attributes of service members based in North Carolina. Service members have already developed many of the skills that UNC institutions are trying to cultivate in the traditional student population. The UNC SERVES Working Group believes that educating service members yields a high return on investment for North Carolina and the nation.



* Clip art licensed from the Clip Art Gallery on DiscoverySchool.com

UNC Tomorrow Critical Knowledge and Skills for Global Competitiveness

- Honesty and Integrity
- Professionalism and Work Ethic
- Critical Thinking and Reasoning
- Ability to Use Technology
- Written Communication
- Innovative Thinking and Creativity
- Teamwork
- Gathering and Organizing Information
- Cultural Awareness and Understanding
- Knowledge of a Foreign Language

Attributes of a Special Forces Soldier

- Intelligence
- Physical Fitness
- Motivation
- Trustworthiness
- Accountability
- Maturity
- Stability
- Judgment
- Decisiveness
- Teamwork
- Influence
- Communications



The Current State of Affairs

The University of North Carolina has enjoyed lasting partnerships and mutually beneficial relationships with the military. Over the years, the University has educated thousands of military affiliated students. Such educational opportunities include degree attainment at the Bachelors, Masters and Doctoral levels, Reserve Officer Training Corps (ROTC), War College Fellowships, short courses, leader development, pre-deployment and post-deployment workshops, medical training rotations, among others.

UNC institutions actively seek to engage military students and veterans more effectively and on a larger scale. UNC-Wilmington and Coastal Carolina Community College have developed a partnership to serve Marines and other service members in the Onslow County area. The partnership began with the establishment of the UNCW Onslow Extension Program in 1995. UNCW currently offers six undergraduate and five graduate degrees at the Jacksonville/Onslow County program sites and/or online. Fayetteville State University recently launched a new Baccalaureate Program in Intelligence Studies. The program was developed to appeal to soldiers at Ft. Bragg seeking to align their experience and interests with their undergraduate education.

"East Carolina University, a top military friendly school, has a strong Veterans preference program, exceptional support for deployed employees and also (has) created an acclaimed family readiness program to ease the strains of deployment."

Leon Harris,
Presenting the DoD Freedom Award to Chancellor Ballard
ECU was among 15 employers chosen from nearly 2,500
nominations for the award.

In 2010, the University developed a systemwide approach for working with North Carolina's military. Branded as the "UNC Partnership for National Security," the combined effort serves as the overarching theme for UNC system/military partnership activities. UNC system partnerships with the United States Army Special Operations Command (USASOC), the Marine Corps Special Operations Command (MARSOC), the North Carolina National Guard (NCNG), Marine Corps Installations East (MCI-East) and others have provided the UNC General Administration and UNC institutions greater situational awareness of the current educational needs of active duty military personnel. These partnerships, coupled with UNC institutional military-affiliated student "ground truth" prompted a systemwide review of how the University can attract, retain and graduate more military-affiliated students.

UNC TOMORROW

4.1 Our Global Readiness

Major Finding: UNC should educate its students to be personally and professionally successful in the 21st century and, to do so, should enhance the global competitiveness of its institutions and its graduates.

4.2 Our Citizens and Their Future: Access to Higher Education

Major Finding: UNC should increase access to higher education for all North Carolinians, particularly for underserved regions, underrepresented populations, and non-traditional students.

4.4 Our Communities and Their Economic Transformation

Major Finding: UNC should be more actively engaged in enhancing the economic transformation and community development of North Carolina's regions and the state as a whole.

4.7 Our University's Outreach and Engagement

Major Finding: UNC should become more directly engaged with and connected to the people of North Carolina, its regions, and our state as a whole.

5.8 UNC should encourage and facilitate interdisciplinary and inter-institutional collaboration among its institutions.

In October 2010, President Erskine Bowles convened a UNC systemwide group of administrators, faculty and students known as the "UNC SERVES Working Group." The goal for UNC SERVES is to evaluate how the University is currently serving military-affiliated students and to make recommendations for improvement.

The UNC SERVES Working Group collected "self assessments" from UNC institutions on their current practices with military-affiliated students. A military-affiliated student survey was published and gathered responses from across the UNC system. Four subcommittees were formed to evaluate access, academic services, support services and outreach and strategic planning. Several themes emerged during the SERVES evaluation process and provide a foundation for systemwide improvement.

Throughout the UNC SERVES Working Group deliberations participants commented that the University's quality and affordability should be attractive to the service member community. And, while quality and affordability are important to service members, equally important factors are convenience and ease of access. In many cases convenience and ease of access are more important to service members. All four subcommittees recommended improvements for communication and coordination of effort at the system and institutional levels and with its multiple constituencies.

Communication and Coordination of Effort

The military and higher education communities do not speak the same language or share cultural norms. Yet, both communities recognize the value of working together in support of mutual interests. It is important to create basic situational awareness for both communities of one another's operating environment, administrative practices and inherent barriers to success. Both groups must communicate in the language of the audience that it is trying to reach rather than communicate in the language in which it is most comfortable.

The UNC SERVES Working Group universally values The University of North Carolina as an important "brand" but also as a system of individual institutions with unique programs, policies and procedures. UNC SERVES Working Group members cited value in leveraging the UNC brand to the benefit of the whole system in order to gain wider visibility with the service member student population. To properly deliver upon the brand, UNC institutions must adjust existing program offerings & delivery methods, policies and procedures to more actively engage the service member population. All UNC SERVES Working Group members believe that the University should work across the system to develop and deliver programs of interest to service members.

UNC SERVES Buzzwords

Communication

Convenience

Awareness

Marketing

Articulation

One-Stop

Single Point of Contact

Seamlessness

Collaboration

Targeted

Centralized Effort

Integration

Standardization

Coordination

Based upon feedback from faculty, staff and students in the UNC system, the following strengths and weaknesses are identified:

UNC Strengths in Serving Military Students

- Competitive tuition rates
- High quality programs
- Great value for the degree
- High academic standards
- National reputation for excellence
- UNC Online portal for online education
- Comprehensive Articulation Agreement between NCCCS and UNC
- UNC Online Proctoring Network
- Strong student support framework
- College Foundation of North Carolina (CFNC) services
- Student Transfer Navigator™ tool for NCCCS to UNC course equivalencies
- UNC-Wilmington/Coastal Carolina Community College Partnership
- UNC relationships with North Carolina military bases and commands
- Reserve Officer Training Corps (ROTC) programs
- Tradition of embracing military students

UNC Needs Improvement in Serving Military Students

- Systemwide Communication
- Intra-institutional Communication
- Communication with service members
- Stronger UNC/Community College relationships (2+2 programs)
- Better data collection and dissemination
- Military affairs should be better coordinated on a systemwide and institutional basis
- UNC personnel need greater situational awareness of services available to military-affiliated students
- Clear-cut degree pathways for service members
- Clear-cut admissions and enrollment pathways for service members
- Targeted academic programs (content and delivery)
- More Online course offerings
- Targeted support services for service members
- Greater consistency with transfer of credit
- Better articulation of military transcripts to UNC courses
- Greater consistency with residency status determinations

Recommendations for Systemwide Commitment

The UNC SERVES Working Group recommends the President consider the following specific improvements:

Academic Programs, Policy and Practices

Establish a systemwide policy that classifies military students as transfer students.

Establish uniform questions for inclusion on campus applications for admission to enable the identification of military students

Establish a systemwide policy on "call to duty" separation and re-enrollment for active duty military students.

Encourage dual enrollment for community college/UNC seamlessness.

Renegotiate UNC/North Carolina Community College System agreements on the offering of lower division courses to active duty military

Convene a transfer advisory workgroup to examine and recommend course equivalents and credit for military experience, training and education

Establish an appeals process for tuition surcharges related to military-affiliated student academic credits.

Residency determinations and appeals should be a core function of the General Administration

UNC General Administration Should Lead the University in the Coordinated Effort to Serve the Military

UNC General Administration should continue to assume the leadership role in coordinating systemwide efforts in support of military-affiliated students. Further, UNC General Administration should lead in fostering a "culture of engagement" with the military. Specifically, UNC General Administration should:

- Lead communication efforts among all stakeholders and close the information gap.
- Be an honest broker among stakeholders to enable delivery of the highest quality education to military-affiliated students
- Be responsible for key leader engagement and represent the University with North Carolina-based military Commands, subordinate units, federal government leaders, state government agencies and Commissions, and other external stakeholders
- Work with the North Carolina Community College system to facilitate joint partnerships in support of the military and endeavor to provide a seamless education
- Work with external stakeholders to facilitate service member to workforce transition in support of economic development in North Carolina
- Execute Memoranda of Agreement with Commands, as appropriate
- Serve as a clearinghouse of information and best practices
- Develop a best practice template for UNC General Administration and UNC institutions to measure successful service member and military engagement
- Appoint an Ombudsman to facilitate service member grievances with UNC institutions

UNC Military Affairs Council

UNC General Administration should convene a standing Council to serve as the coordinating body for military affairs. The Council should be comprised of a military liaison from each institution with faculty and student participants as appropriate. At a minimum, the liaisons should appreciate both the academic and military cultures, have authority to act on behalf of the institution in support of military affairs and have access to the Chancellor and Provost of their respective institutions.

Improve Data Identification, Tracking and Analysis of Military-Affiliated Students

The General Administration should work with UNC institutions and the Department of Defense to collect accurate admission and enrollment data on military-affiliated students. "Veterans Certifying Officials" at UNC institutions track the number of students using certain Veterans Affairs (VA) tuition benefits. Most institutions do not actively track the number of students using Department of Defense (DOD) tuition assistance (TA) or the number of student veterans or active duty military students using other forms of payment for tuition.

Expand Student Transfer Navigator™ to Include Articulated Military Credit at UNC Institutions

The Student Transfer Navigator™ should be expanded to "map" campus-based credit articulation for military training and education at UNC institutions.

University of North Carolina Presence on North Carolina Military Bases

The General Administration should work with Garrison leadership to establish a UNC system office representing all UNC institutions on each military base. Goals for the UNC system office are to tell the UNC-military story, promote UNC Online, leverage the system brand, facilitate degree delivery, and to make efficient use of financial resources.

UNC Online

UNC Online should be more fully promoted to the general public, service members and their families, and the military community. Ideally, a marketing campaign should be developed. The UNC General Administration should encourage further development of credit and non-credit online courses for distribution through UNC Online.

UNC Partnership for National Security Web Portal

The University of North Carolina needs one "front door" for military engagement. The General Administration should develop a website that integrates all web-based university/military interaction and information. The website should clearly communicate academic policies, enrollment procedures, residency rules, affiliation groups, links to UNC institutions, and UNC Partnership for National Security efforts. This website should be the primary point of entry for the military, service members and their families and provide service members with the opportunity to communicate concerns and needs.

Assist UNC Institutions in the Pursuit of ROTC Programs

Several UNC institutions are interested in establishing ROTC programs but need assistance with gaining approval from service branches. UNC General Administration should facilitate discussion between UNC institutions and the service branches and assist UNC institutions with finding funding to establish ROTC programs.

- ROTC programs are prerequisites for institutions of higher education to accept candidates for the Marine Enlisted Commissioning Education Program (MECEP) and the Green to Gold program.

Facilitate UNC Faculty and Staff Professional Development Opportunities

UNC General Administration should facilitate professional development opportunities for faculty and staff on behavioral health resources and military population sensitivity.

Virtual Advising Architecture

The General Administration should evaluate the business case for developing a systemwide virtual advising system for military students.

Strategic Communication Plan

In consultation with the UNC Military Affairs Council, the General Administration should develop a strategic communication plan to engage the general public, service members and their families, and the university community about University efforts in support of the military. Existing communications tools such as CFNC.org, UNC Online, and other tools should be more fully developed to reach the military audience.

Strategic Hiring Recommendation

When considering future staff hires to facilitate military affairs on behalf of the University, the UNC SERVES Working Group recommends that the President hire:

Technical Manager

- to develop the communications strategy for military affairs,
- to develop, deliver and maintain the Web Portal,
- to work with UNC institutions to develop, deliver and maintain targeted collateral material for distribution to military students, including a UNC Military College “smartbook”
- to work with the UNC General Administration Division of Academic Affairs to integrate military student needs into Student Transfer Navigator™ and UNC Online,
- to facilitate the logistics of future degree delivery at North Carolina Military Installations and Bases, and
- to explore the possibility of virtual advising.

Federal Policy Recommendation

The Department of Education 90/10 Rule should include Department of Defense Tuition Assistance and Veterans Education Benefits.

State Policy Recommendations

The President of UNC and the President of the NC Community College System should serve ex officio on the North Carolina Advisory Commission of Military Affairs.

In-State Residency for tuition purposes should be granted to service members whose “home of record” is North Carolina so long as residency is established within six months of enrollment.

Recommendations for Institutional & Faculty Commitment

The UNC SERVES Working Group recommends that UNC institutions consider the following improvements:

Academic Programs and Policy

Promote American Council on Education (ACE) credit equivalencies for academic credit, wherever possible.

Appoint one admissions counselor to specialize in military student issues to facilitate clear, timely pre-admissions counseling that helps military affiliated students prepare to succeed in their chosen programs.

Appoint one financial aid counselor to specialize in military-affiliated student programs.

Grant academic credit for Health/Physical Education to active duty or honorably discharged service members.

Offer conditional admission contracts in partnership with select North Carolina Community Colleges.

Provide priority registration for students on active duty military status.

Campuses should participate in the Yellow Ribbon Program, if applicable.

Encourage flexible course delivery options for interrupted enrollment of military-affiliated students.

Affiliate with the "Servicemembers Opportunity Colleges" (SOC) Network.

Recruit veterans for on-campus Veterans Affairs (VA) Work-Study.

Identify active duty service members and veterans on the student data file.

Factor military-affiliated students into institutional planning, particularly diversity planning.

Accept tuition assistance payments from the service branches.

Student Support

Create campus-based support and referral networks to provide a safety net for military-affiliated students struggling with transition into college life and service members preparing for or returning from a deployment.

Educate military-affiliated students about resources available to them.

Evaluate, review and adapt employability/career movement focus to effectively articulate impact of degree programs on employability and career movement for military affiliated students.

Evaluate, review and adapt academic assistance (including mentoring and tutoring) to enhance online and face-to-face tutorials, advising and workshops, assistive technologies, webinars and assessments of learning disabilities.

Encourage faculty and staff to serve as mentors to transitioning service member students. (This for particularly relevant for faculty and staff with military experience or exposure.)

Encourage faculty and staff to teach relevant modules for "Service Member Seminar" courses.

Appoint a Military Affairs Liaison

Chancellors should appoint a campus military affairs liaison. This liaison should assume the following duties and responsibilities:

- Act as an honest broker between the University and Military communities and with the General Administration.
- Serve as the campus representative to the UNC Military Affairs Council.
- Serve as a resource to the campus community regarding military community matters.
- Serve as the campus-based Ombudsman for service members.
- Other duties designated by the Chancellor in accordance with institutional priorities.

Campus-based military student population size and demographics will drive campus decision-making on time required to fulfill the military affairs liaison duties and responsibilities.

Military Affairs Committee

Chancellors should appoint a campus-based committee to facilitate awareness and communication between key departments, including admissions, financial aid, counseling, disability services, career services, and GI Bill Certification and the campus community in general. Faculty, including campus-based Professors of Military Science, and students should be engaged to serve on the committee.

“UNC Guarantee”: Bridge Loan for Tuition, Fees, Housing, Books While Waiting for Veterans Affairs (VA) Educational Benefit Payments

UNC should guarantee that military-affiliated students are held harmless from VA processing delays that prevent timely payment of educational benefits.

- Late payment fees should not be assessed on students whose VA educational benefits are delayed.
- Course registrations should be maintained.
- Institutions should provide students with a “bridge loan” to cover tuition, fees, housing and books until payment is received from the VA.

Web Portal for Service Members

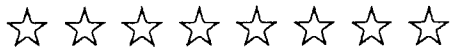
UNC institutions should have a dedicated, visible web-based portal for service members to easily access the following information:

- Points of contact (with phone numbers and email address) for admissions, financial aid, Veterans Certifying Official, academic advising, counseling center, veteran student organizations that serve service members.
- Policies and procedures with special exceptions or permissions for service members.
- Available support services for military students and families.
- Link to the UNC Partnership for National Security portal.

ⁱ DOD Armed Forces Strength Figures for January 31, 2011

ⁱⁱ Testimony of Mr. Robert L. Gordon, III March 2, 2011 – Senate Homeland Security Committee.

ⁱⁱⁱ ACE report



UNC

**Systemwide
Evaluation &
Recommendation for
Veterans
Education &
Services**



Appendix

Appendix A: Best Practices

UNC institutions currently engage in some of the following best practices:

Engage Professors of Military Science as advisors to the campus community: As active military officers and faculty members, Professors of Military Science are natural liaisons between the military and the university.

Military population sensitivity and awareness seminars for faculty and staff: Military students have unique experiences and needs. Making faculty and staff more aware of this student population will better facilitate student adjustment to campus life and their potential for success.

Veteran/Military Student Orientation: Military students face transition challenges unique to their community. Targeted orientation sessions for military students can identify and address transition challenges and provide these students with a venue for making peer connections.

Student Veterans Organizations: Student organizations provide peer network support. Military students have identified student veteran organizations as one of the most important transition and retention tools.

Campus-Based Gathering Location for Military Students: Evidence suggests that students who better integrate their academic and social lives at an institution are more likely to remain in school. Military students as a subset of the larger student population need stronger peer networks.

Appoint a Military alumnus as standing member of alumni boards: As UNC institutions diversify alumni boards, alumni affairs staffs are encouraged to appoint alumnae with military backgrounds.

Targeted training and education on PTSD/TBI for health and wellness professionals: Institutional health center and counseling center professionals should receive relevant training and information to assist in treatment and referral for military students.

Veterans Day, Memorial Day Ceremonies: Institution-wide ceremonies and events to recognize military service will help campus communities to bridge the divide between military and civilian students.

Dedicated housing options for veterans: Evidence suggests that on-campus living arrangements increase retention. As a subset of the broader student population, military students benefit from having communal living arrangements.

Veteran/Military focused study skills classes: Many Veterans and members of the Military have been away from an academic environment for many years and can benefit from classes designed to reintegrate them to the learning environment.

Dedicated Military and Veterans Student Office: Evidence suggests that one central point of contact for military students improves access and retention for military students. In addition to certifying veterans benefits, "one stop" offices communicate with active military personnel, direct and coordinate events on campus, visit military installations, provide counseling and advising, and direct students toward support services.

Identify campus-based services to assist the Military: Many campuses have centers or programs that serve the public at large. Military students can benefit from better integration of these resources into the campus culture.

UNCW's "Seahawk Perch" Veterans Lounge serves as a gathering place for student veterans as well as the student body at large.

NCSU's Professor of Military Science plays an active role in helping University faculty learn about working with the military.

UNCC's Coordinator for Veterans Student Outreach organizes campus events and focuses on military student transition.

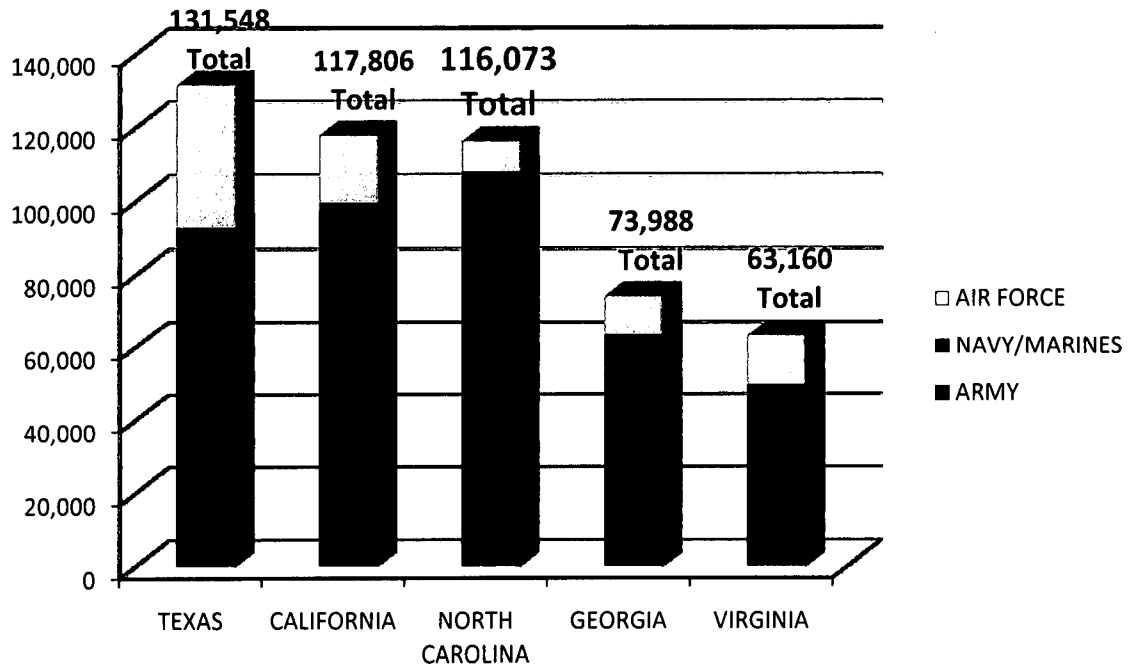
UNCG convened a "Military, Veterans and Families Task Force" of faculty, staff, students and community members to promote success among the military student community.

NCCU's Veterans Law Clinic is staffed by NCCU law students who assist veterans and their families with the complexities and technical aspects of filing claims with the United States Department of Veterans Affairs Regional Offices nationwide, the Board of Veterans Appeals, and the United States Court of Appeals for Veterans Claims.

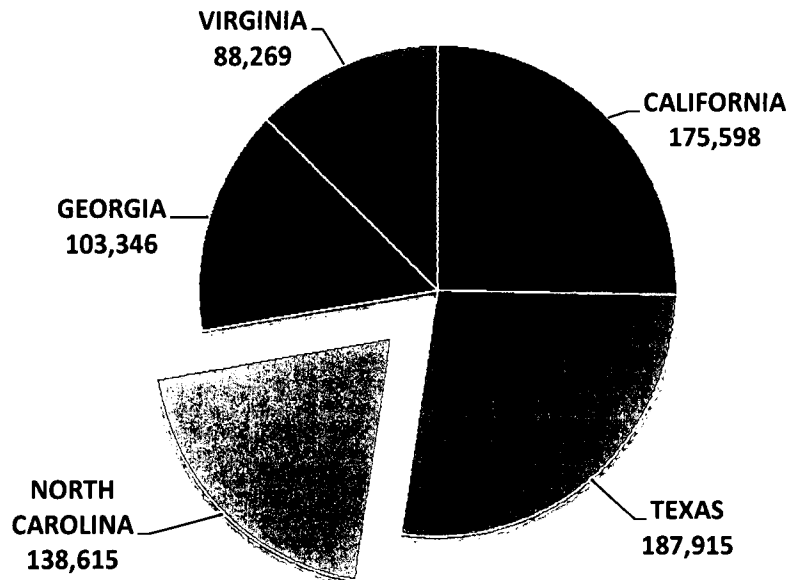
Appendix B: North Carolina's Military Family

B-1-1: Military in North Carolina

GRAPH B- 1: ACTIVE DUTY MILITARY (FY 2009)



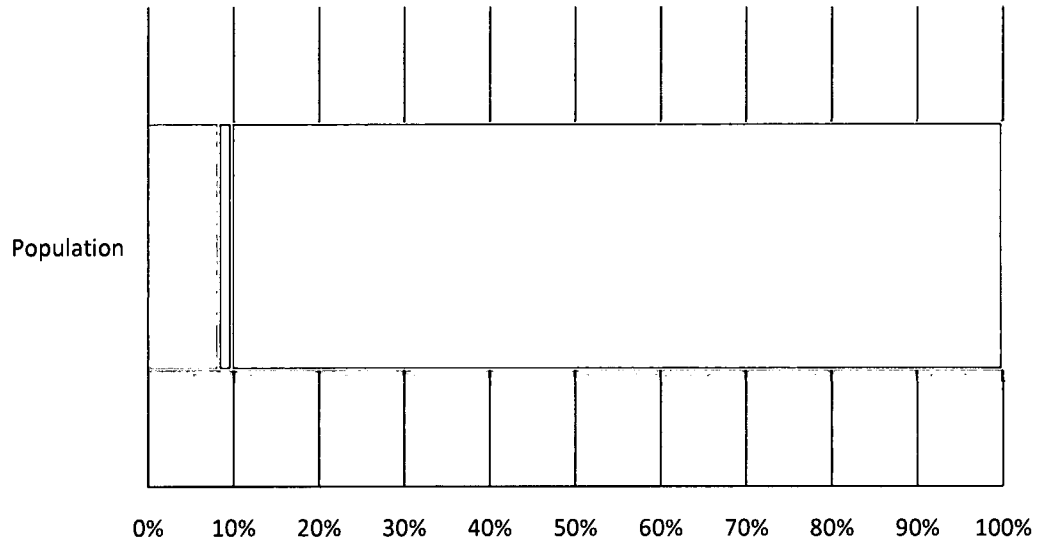
GRAPH B- 2: TOTAL ACTIVE DUTY, NATIONAL GUARD AND RESERVE FORCES (FY 2009)



B-1-2: Military Population as Percentage of North Carolina Population

North Carolina ranks number one nationally for active duty military as a percentage of a state's total population (military per capita).

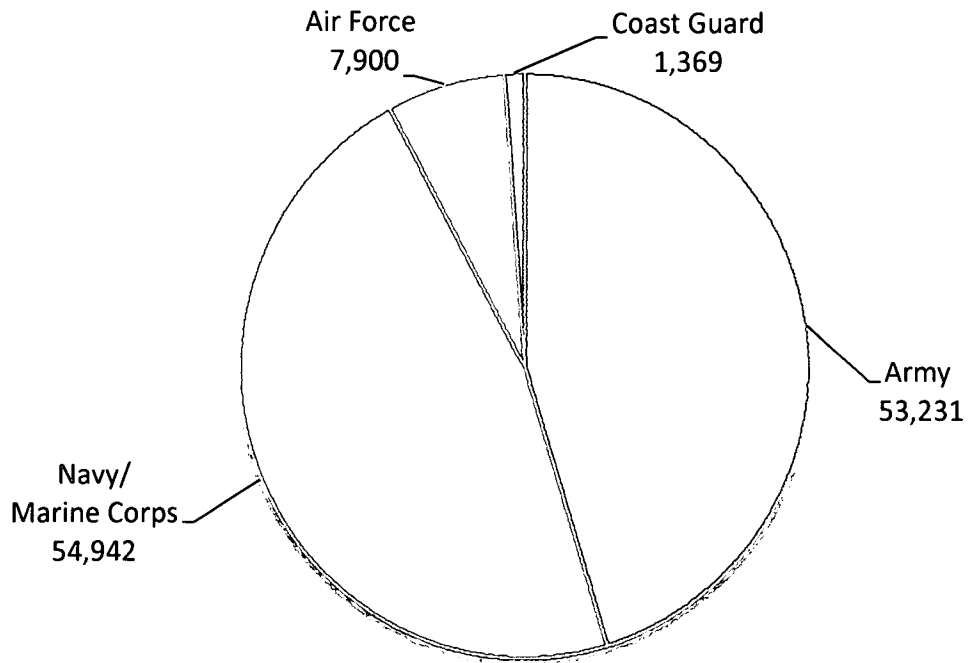
GRAPH B- 3: NORTH CAROLINA POPULATION (2009)



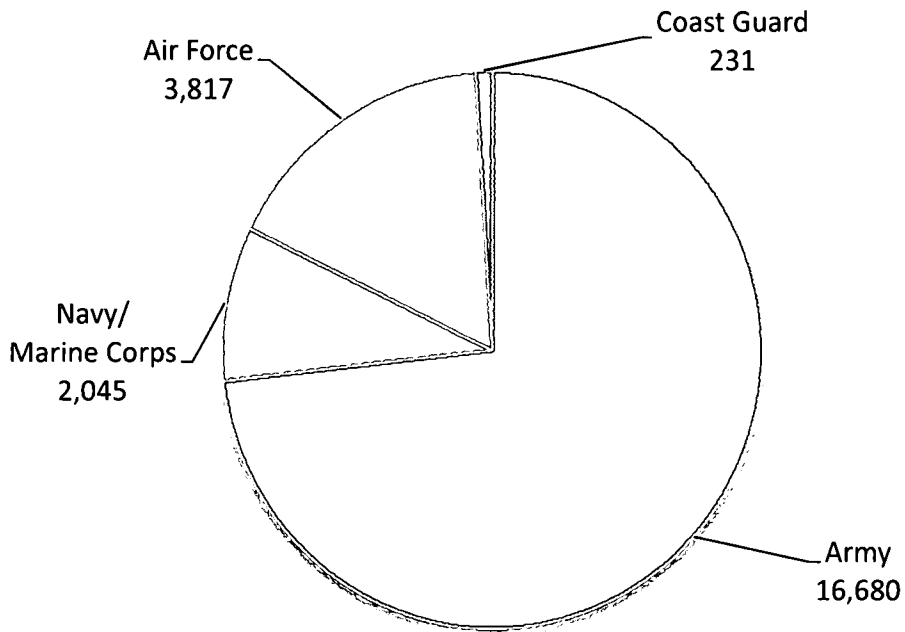
	Population
□ Veterans	770080
□ Military Members	138615
□ Remaining Population	8,472,189

B-1-3: Distribution of NC Military Population by Service Component

GRAPH B- 4: NORTH CAROLINA ACTIVE DUTY MILITARY (FY 2009)



GRAPH B- 5: NORTH CAROLINA NATIONAL GUARD AND RESERVE (FY 2009)



B-1-4: North Carolina Military Population Distribution by Location FY 2009

Fort Bragg/Fayetteville (Army)	51,778
Camp Lejeune (Marines)	40,789
Cherry Point Marine Corps Air Station	7,606
New River Marine Corps Air Station	5,814
Seymour Johnson Air Force Base	4,483
Pope Air Force Base	2,811
Other	777

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B-1-5: Planned Growth for North Carolina Military Population and Installations (by 2013)**Total force net plus adjustment for the ARMY****INCREASES by 7,247 Active Duty, 2,079 Civilians and 1,972 Contractors**

- Headquarters US Army Forces Command (FORSCOM) and Headquarters US Army Reserve Command (USARC) from Fort McPherson, GA to Fort Bragg.
- 4th Brigade Combat Team (BCT) of the 82nd Airborne Division will be activated and a small number of European-based forces will be relocated to Fort Bragg.
- The 7th Special Forces Group (SFG) will be relocated to Eglin AFB in Florida.
- In 2010, Fort Bragg officially took control of Pope Air Force Base.

Total force net plus adjustment for MARINE CORPS**INCREASES by 10,130 Active Duty and 1,249 Civilians**

- Additional 11,477 troops and civilian workers at Camp Lejeune and associated air stations by 2012 in an effort to increase the size of the force.
- Increase in the number of private contractors is anticipated but not calculated.

Total force adjustment for AIR FORCE

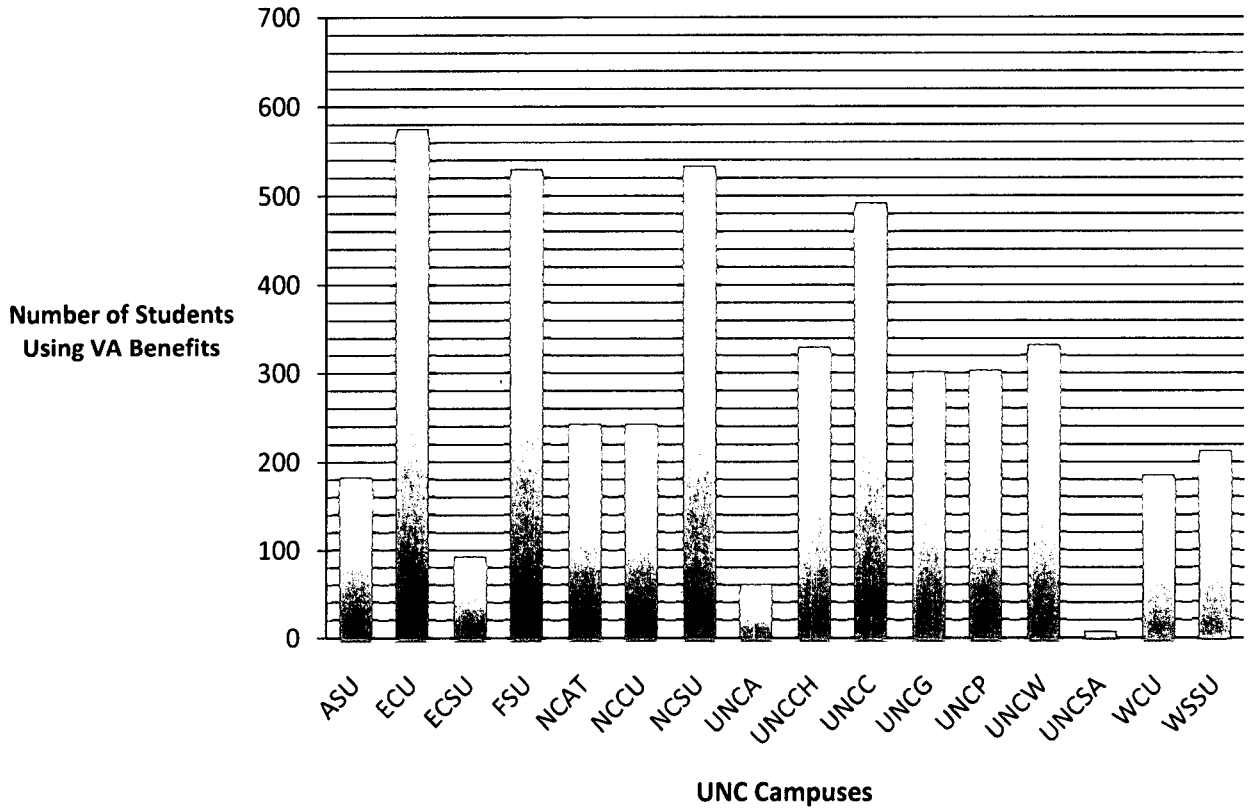
- Pope Air Force base will lose 3,223 Active Duty, gain 67 Civilians and lose 30 Contractors.
- Seymour Johnson has experienced a net loss of 622 Active Duty, 98 Civilian as a result of national efforts to reduce the size of the Air Force.

Total force adjustment for COAST GUARD

- No significant anticipated growth between now and 2013.

B-2-1: Veterans Affairs Benefit Use at UNC

GRAPH B- 6: VA BENEFIT USE BY CAMPUS SPRING 2010

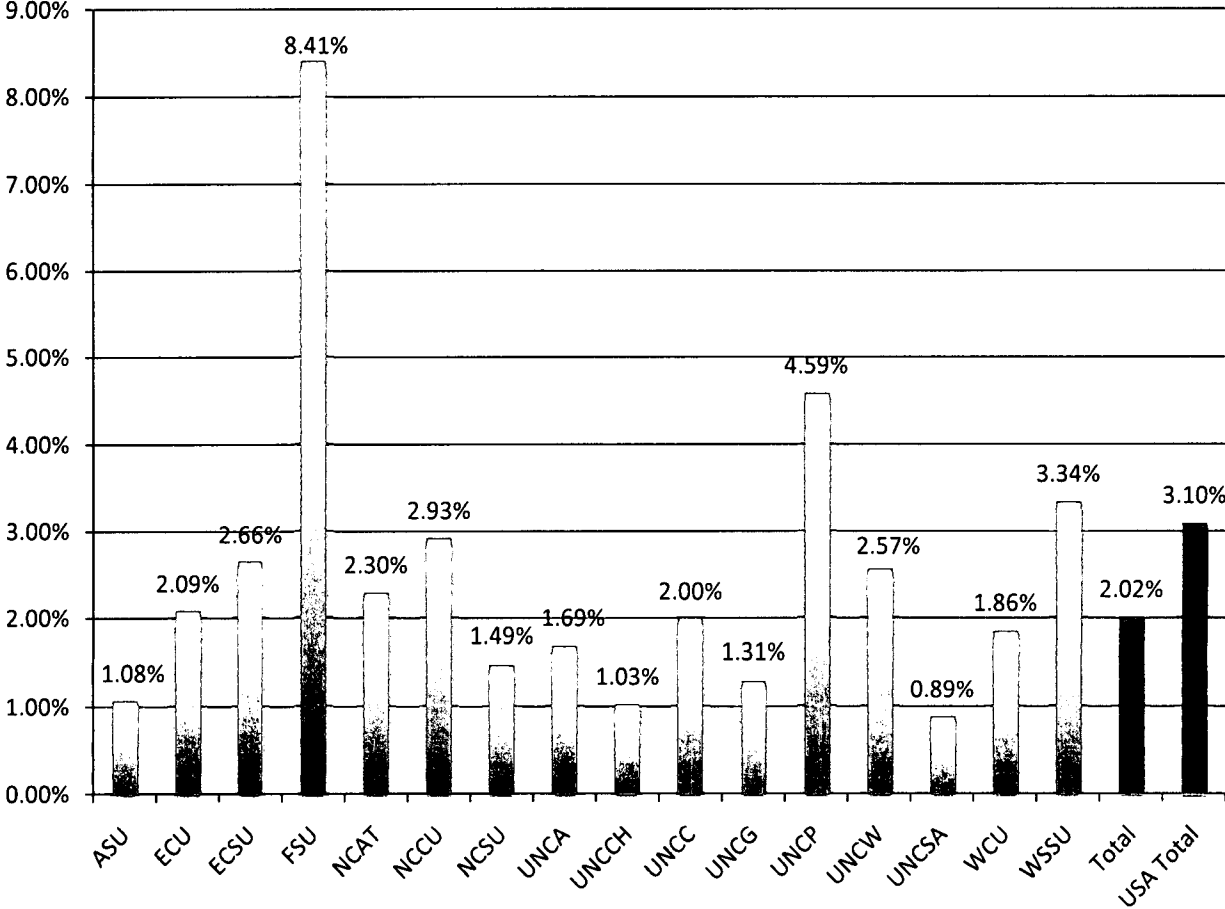


B-2-2: Veterans Affairs Benefit Use Distribution at UNC (Fall 2010)

University	Montgomery GI Bill (Ch.30)	VET Success	Post 9/11 GI	Survivor Ed	Montgomery GI Bill (Ch.1606)	Reserve Education Assistance	Total
Appalachian State University	18	12	85	44	21	3	183
East Carolina University	181	0	151	166	63	15	576
Elizabeth City State University	10	7	30	37	8	1	93
Fayetteville State University	156	40	164	121	42	7	530
NC Agricultural and Technical State University	27	14	83	84	32	4	244
North Carolina Central University	19	0	89	109	22	4	243
NC State University	79	11	339	69	29	8	535
UNC Asheville	19	3	20	14	4	0	60
UNC Chapel Hill	44	7	201	70	8	1	331
UNC Charlotte	101	41	205	86	49	11	493
UNC Greensboro	56	26	113	70	27	9	301
UNC Pembroke	56	10	118	85	30	4	303
UNC Wilmington	57	11	182	72	7	5	334
UNC School of the Arts	1	0	5	2	0	0	8
Western Carolina University	66	9	36	45	21	9	186
Winston-Salem State University	36	18	30	94	29	7	214
Total	926	209	1851	1168	392	88	4634

B-2-3: Percentage of UNC Student Population using VA Benefits

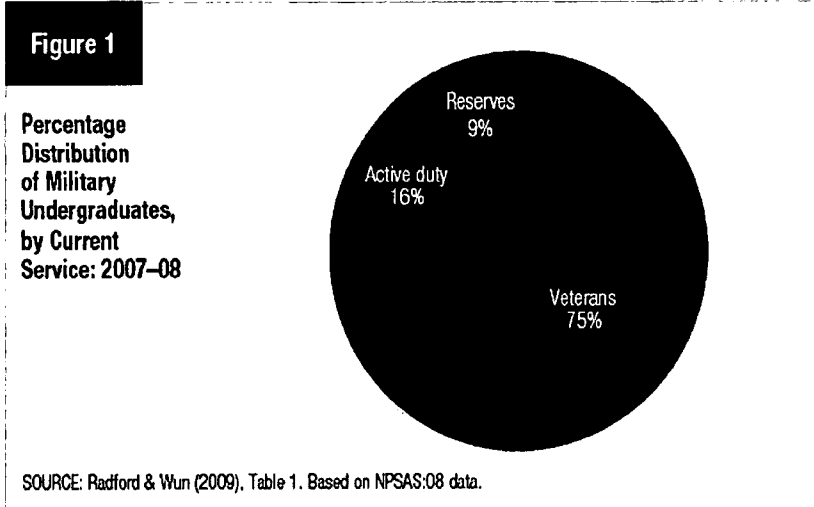
GRAPH B- 7: UNC CAMPUS POPULATION SPRING 2010



B-2-4: National Averages of Military Student Populations

Table 1		
Percentage Distribution of Undergraduates, by Military Status: 2007-08	Veterans	3.1
	Military service members	
	Active duty	0.7
	Reserves	0.4
	Undergraduates who are not veterans or military service members	95.8
		100.0

SOURCE: Radford & Wun (2009), Table 1. Based on NPSAS:08 data.



B-3-1: Veterans Affairs Outlay to North Carolina

North Carolina Veterans Affairs Data (2009)	
Compensation & Pensions	\$1,883,967,000
Construction	\$14,780,000
Education & Vocational Rehabilitation/ Employment	\$175,819,000
General Operating Expenses	\$75,019,000
Insurance & Indemnities	\$50,815,000
Medical Care	\$1,221,040,000
Veteran Population	770,080
Unique Patients	175,561
Total Expenditures	\$3,421,439,000

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Appendix C: UNC Military & Veteran Services Offices

C-1: UNC ROTC Programs

The **Reserve Officers' Training Corps (ROTC)** is a college-based officer commissioning program predominantly in the United States. ROTC is a college elective for enrolled students focusing on leadership development, problem solving, strategic planning, and professional ethics.

University	Army ROTC	Air Force ROTC	Navy Marine Corps ROTC
ASU	X		
ECSU	X		
ECU	X	X	
FSU	X	X	
NC A&T	X	X	
NCCU	X	X	
NCSU	X	X	X
UNCA			
UNCC	X		
UNCCH	X	X	X
UNCG	X	X	
UNCP	X	X	
UNCSA			
UNCW			
WCU			
WSSU	X	X	

Appendix D: Resources and Reference Materials

D-1: Reports and Publications

American Council on Education (ACE) Reports

- *Service Members in School: Military Veterans' Experiences Using the Post-9/11 GI bill and Pursuing Postsecondary Education*
- *Military Service Members and Veterans in Higher Education Report*
- *From Soldier to Student: Easing the Transition of Service Members on Campus*
- *A Transfer Guide: Understanding Your Military Credit Recommendations*

All reports may be found at: <http://www.acenet.edu/Content/NavigationMenu/ProgramsServices/MilitaryPrograms/index.htm>

D-2: VA Education Programs

Chapter 30 - Montgomery GI Bill Active Duty (MGIB-AD): The MGIB program provides up to 36 months of education benefits. This benefit may be used for degree and certificate programs, flight training, apprenticeship/on-the-job training and correspondence courses. Remedial, deficiency, and refresher courses may be approved under certain circumstances. Generally, benefits are payable for 10 years following your release from active duty.

Chapter 30 - Montgomery GI Bill Selected Reserve (MGIB-SR): The MGIB-SR program may be available to you if you are a member of the Selected Reserve. The Selected Reserve includes the Army Reserve, Navy Reserve, Air Force Reserve, Marine Corps Reserve and Coast Guard Reserve, and the Army National Guard and the Air National Guard.

Chapter 31 - Vocational Rehabilitation and Employment (VR&E) VetSuccess Program: The VetSuccess program assists Veterans with service-connected disabilities to prepare for, find, and keep suitable jobs. For Veterans with service-connected disabilities so severe that they cannot immediately consider work, VetSuccess offers services to improve their ability to live as independently as possible.

Chapter 33 - Post-9/11 GI Bill: The Post-9/11 GI Bill provides financial support for education and housing to individuals with at least 90 days of aggregate service on or after September 11, 2001, or individuals discharged with a service-connected disability after 30 days. You must have received an honorable discharge to be eligible for the Post-9/11 GI Bill.

Chapter 35 - Survivors' and Dependents' Educational Assistance Program (DEA): Dependents' Educational Assistance provides education and training opportunities to eligible dependents of certain veterans. The program offers up to 45 months of education benefits. These benefits may be used for degree and certificate programs, apprenticeship, and on-the-job training. If you are a spouse, you may take a correspondence course. Remedial, deficiency, and refresher courses may be approved under certain circumstances.

Chapter 1606 - Montgomery GI Bill - Selected Reserve: The Montgomery GI Bill - Selected Reserve is an education program that provides up to 36 months of education benefits to members of the Selected Reserve. This includes the Army, Navy, Air Force, Marine Corps, and Coast Guard Reserves, as well as the Army National Guard and the Air National Guard. It is the first program that doesn't require a person to serve on active duty in the regular Armed Forces to qualify.

Chapter 1607 - Reserve Educational Assistance (REAP): REAP was established as a part of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005. It is a Department of Defense education benefit program designed to provide educational assistance to members of the Reserve components called or ordered to active duty in response to a war or national emergency (contingency operation) as declared by the President or Congress. This program makes certain reservists who were activated for at least 90 days after September 11, 2001 either eligible for education benefits or eligible for increased benefits.^x

More information available at: <http://www.gibill.va.gov/post-911/>

D-3: Military Tuition Assistance

The Tuition Assistance (TA) program provides financial assistance for voluntary off-duty education programs in support of a service member's professional and personal self-development goals. TA is available for courses that are offered in the classroom or through distance learning. The courses must be offered by institutions registered through service education portals and are accredited by accrediting agencies recognized by the United States Department of Education. The per semester hour cap is \$250 and the fiscal year ceiling is \$4,500 per service member. The Department of Defense pays 100 percent of the tuition and authorized fees charged by a school up to the established per semester hour cap and fiscal year ceiling.^{xi}

More information available at: https://www.goarmyed.com/public/public_tuition_assistance_policies.aspx

D-4: "Military Friendly" Institutions

GI Jobs Magazine issues an annual report on the nation's most military friendly colleges and universities. The information used to generate this report is by voluntary survey. UNC Institutions recognized by *GI Jobs Magazine* in 2011:

- Appalachian State University
- East Carolina University
- Elizabeth City State University
- North Carolina Central University
- UNC Charlotte
- UNC Pembroke
- UNC Wilmington
- Western Carolina University

To learn more about *GI Jobs Magazine's* standards for a "military friendly" school and how UNC institutions can be recognized:^{xii} <http://www.militaryfriendlyschools.com/methodology.aspx>

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ⁱ US Department of Defense

ⁱⁱ Ibid

ⁱⁱⁱ Ibid

^{iv} Ibid

^v BRAC RTF

^{vi} North Carolina State Approving Agency

^{vii} North Carolina State Approving Agency and Radford, pg. 6

^{viii} Radford, pg 6

^{ix} US Department of Veterans Affairs: National Center for Veterans Analysis and Statistics

^x US Department of Veterans Affairs

^{xi} www.GoArmyEd.com

^{xii} G.I. Jobs



North Carolina General Assembly
House of Representatives
State Legislative Building
Raleigh 27601-1096

February 15, 2012

MEMORANDUM

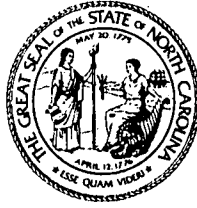
TO: Members of the House Select Committee on Military Affairs
FROM: Representative Phil Shepard, Co-Chair
Representative Bill Cook, Co-Chair
SUBJECT: House Select Committee on Military Affairs Meeting

DAY	DATE	TIME	ROOM
Monday	February 27, 2012	1:00	Council Chambers Room City Hall Jacksonville, NC

If you are unable to attend or have any questions concerning this meeting, please contact Pam Pate at shepardla@ncleg.net or 919 715-9644.

cc: Committee Record
Interested Parties





HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

AGENDA

February 27, 2012
Council Chambers, City Hall
City of Jacksonville, North Carolina
1:00 PM

WELCOME AND INTRODUCTION

Rep. Bill Cook, Co-Chair
Rep. Phil Shepard, Co-Chair

- Welcome and Introductions
 - Mayor Pro-Tem Michael Lazzara
- Community Presentations
 - Community - Military Issues – Sheila Pierce, Executive Director, Jacksonville Onslow Economic Development Commission
 - Regional Transportation Planning Overview – Anthony Prinz, Jacksonville Metropolitan Planning Organization
- Increase Access to Services for Children with Disabilities
 - Donna Anders, Parent Advocate for Children with Disabilities
- Military Presentations
 - Museum of the Marine – SGM Joe Houle, USMC (Ret.)
 - Montford Point Marines Museum – Mrs. Finney Greggs, Director
- Legal Assistance for Military Personnel
 - Michael Archer, Legal Assistance Director, Marine Corps Installations East
- Coastal Carolina Community College – Military Relations
 - Ronald Lingle, President

Committee Discussion/Staff Instructions

ADJOURN

Tour following meeting: Beirut Memorial and Vietnam Veterans Memorial

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

Monday, February 27, 2012

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Natalie Shaw	Friend of Donna Anders, fellow military spouse w/child of Autism. 5039 Michigan Ave Camp Lejeune, NC 28547
Ashley McLuiston	Butterfly Effects, LLC 109 Creechview Dr. Jacksonville, NC 28540
Donna Anders	Family Advocate HB 487
Cara Lynn Aldford	The Daily News # 724 Bell St. Rd. Jax 28541
Viddia Torbett	North Carolina General Assembly Leg. Asst.
Michael Archer	USMC, Legal Assistant, Camp Lejeune
RON MASSEY	CITY OF JACKSONVILLE, NC
PAUL FRIDAY	Deputy A/CS G7 MCIFAST
Hope Hodge	Daily News 904-8453
John Carter	City of Jacksonville
Carmen Miracle	City of Jacksonville

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

Monday, February 27, 2012

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Anthony Prinz	Jacksonville MPO 815 New Bridge Street
Finney Gregg's	MONTFORD POINT MARINER MUSEUM - CAMP JOHNSON
M. Louise Gregg's	NATIONAL MUSEUM OF MPM Camp Johnson, Camp Lejeune

Minutes

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

MONDAY, February 27, 2012

1:15 p.m.

Jacksonville City Hall, Jacksonville NC

The House Select Committee on Military Affairs met on Monday, February 27, 2012 at 1:15 p.m. at the Jacksonville City Hall. Representatives Cook, Shepard, Bell, Torbett, Parfitt, and Cleveland attended.

Representative Shepard presided over the meeting. He welcomed the Sergeant-at-Arms, John Brandon and Doug Harris, Research Staff, Sara Kamprath, Hal Pell, Jan Paul and Committee Clerks Pam Pate and Amanda Vuke.

He asked the committee members to introduce themselves and state the district they represent.

Representative Shepard said, "It is an honor to be here in Jacksonville today and thank you for hosting our Committee here in Jacksonville."

Mayor Pro-Tem Michael Lazzare, City of Jacksonville

Mr. Lazzare was introduced. He welcomed everyone to the City of Jacksonville. He said, "He was very proud to be here today to welcome the committee, on behalf of the Citizens of Jacksonville and Mayor Sammy Phillips." We want this to be the most sought after destination of any of the Military Bases. Mr. Lazzare said, "I am proud of our success and I welcome you here to help us achieve more for our military and future of our community and we want to host a premiere training facility in Onslow County, for the Marines, Navy and the Coast Guard. We as a City have to improve the Quality of Life in our City. We have a saying "This is the best place to raise your children annually". I admire you for your service and commitment, and I want to welcome you to our City, home base of at least 60,000 military who call this home or at least temporary. I was one of the active Marines who chose to stay in North Carolina after service. Thank you for your willingness to learn more about our bases and Military Services and letting us host you today.

Representative Shepard asked for a motion to be made to approve the minutes from the committee meeting on January 30, 2012 at (FSU). Representative Parfitt had a correction on page two, General Izarry, should be Irizarry, then Representative Torbett moved that the minutes be approved and Representative Cook seconded the motion and the motion carried unanimously on a voice vote.

Community Presentations Shelia Pierce, Executive Director

Representative Shepard introduced Shelia Pierce, Executive Director of Jacksonville Onslow Economic Development Commission. She is speaking today as a representative of Onslow County, the City of Jacksonville, the other municipalities of our County and the joint interest they have in Economic Development so as to honor our military as well as to protect and preserve our ability to have them in our community. Ms. Pierce, said "a new round of BRAC has been announced, and we want to ensure that we're doing all we can to help protect our bases." Today, she is speaking about issues that are

important to Onslow County, as well as some issues that help protect the 26.4 billion dollar annual value of the military to this State. Ms. Pierce spoke on encroachment, the census, Quality of Life in Onslow County and the Infrastructure needed in this area. We truly appreciate your decision to hear from us, and especially your decision to visit our community. We are proud of our military and very proud of our relationship with our military leaders, friends and neighbors. Her presentation is included as 02/27/2012(see Attachment 1).

Anthony Prinz, Jacksonville
Metropolitan Planning Organization

Anthony Prinz, Jacksonville MPO Administrator, was introduced and asked to speak on the transportation planning overview in Onslow County. His presentation is included as 02/27/2012 (see Attachment 2). He talked about current issues rail and interstate connectivity and traffic congestion.

Mr. Prinz said, "Jacksonville was the largest NC city without expedited connectivity to the Interstate Highway System and MCBCL is the largest military installation without direct connectivity to Interstate Highway System". He also gave examples of the traffic congestion problems with NC24 and the Main Gate to Camp Lejeune and the NC172/NC210 at the Sneads Ferry Gate Entrance.

Representative Torbett asked the question about all the traffic on the bridge coming into Sneads Ferry, "Could we make the traffic all inbound or all outbound in the busy times"? Mr. Prinz said, "We have done a study on this and it is not an ideal situation because it would make it difficult to getting the folks off the base if we make it one way."

Representative Torbett asked, "How many miles are we talking about from Western Blvd. to the Main Gate that the backup is occurring during rush hour"? Mr. Prinz said, "It is about three miles that were very congested in the mornings."

Representative Shepard noted he would go to the Piney Green Gate and noticed a lot of traffic coming off Piney Green Rd. that makes both School Buses late for school and commuters late for work. Representative Shepard asked, "Is there anything being done to improve this situation?" Mr. Prinz stated this particular intersection was evaluated indicating this is one of the worse intersections with a lot of left hand turning traffic that causes a considerable amount of backup. DOT has widened this intersection and thought maybe they had made some corrections.

Representative Cleveland asked, "Do we not have plans to redo the Piney Green area and alleviate the traffic on Hwy24"? Mr. Prinz stated, "There is not a project for this, but there is a TIP to widen that roadway and will help traffic congestion at that location."

Representative Cleveland asked, "A question about the bridge that DOT is building across Northeast Creek on base leading into Bell Fork Rd, Will this alleviate the congestion on Hwy 24? Mr. Prinz stated, "This is the traffic going into the base entry road, Mr. Prinz stated, "That DOD and the traffic predictions indicate this would be a short term traffic correction and this problem may possibly arise again in the near future and we will need a plan of action if this arises."

Representative Shepard asked the question, "If Mr. Prinz knew how many pieces of military equipment leaves the base on Hwy 172 moving through the gate going to Wilmington, during training?" Mr. Prinz said, "He did not know if they had studies that had counted the vehicles, but about 80% of the traffic was base traffic and he did not think there was a lot military equipment being moved during peak hours." In addition, Representative Shepard asked, "Do you know what the difference, in the amount of traffic, in the months May through September when so many more people are on vacation at Topsail

Beach." Mr. Prinz said, "That was a very good question, but we do not have a traffic count during that time period."

Representative Torbett asked, "Did we have the projects prioritized by rail vs. highway. Mr. Prinz said, "We will try to have this at the next meeting, but he thought that the Highway project 172/210 may be the top priority and closure is in reach." He said, "There is long term planning for the interstate and a lot of upfront planning on the rail.

Donna Anders, Parent Advocate for Children with Disabilities

Donna Anders, Parent Advocate for Children with Disabilities, was then introduced. She gave a presentation on children with Autism and HB 487 and how it applies to care and treatment of the Autistic children. Presently, only licensed psychologists are permitted to evaluate these children and very few are trained in Applied Behavior Analysis. North Carolina is the only state that requires all providers of Applied Behavioral Analysis, an in-home therapeutic intervention approach that has proven effective with autistic children; to be supervised by licensed clinical psychologists with certification from the Behavior Analyst Certification Board, since only (18) clinical psychologists in the state have this dual licensure. Anders said, "Thousands of autistic children are not able to receive the care that they need." She does not feel that they need dual licenses to help these children. Some military families feel that they lose access to essential services when transferred to North Carolina. Her presentation is included as 2/27/2012 (see Attachment 3).

Representative Shepard said, "We would see what we could do during short session, he had already talked with the Speaker and he had talked with Representative Hurley and Representative Parmon to see what needed to be done to get this situation changed not to have dual licenses. Representative Shepard, also asked Mrs. Anders, "Did she know the number of autistic children in the county outside the base?" She did not know but would find out. She knows the number is growing.

Representative Bell said, "That he had heard some of the problems with the providers having issues in Wayne County and along with some other issues with mental health." " He was certainly in favor of supporting the Autistic children in HB 487 not requiring the dual licenses".

SGM Joe Houle, USMC (Ret.), Museum of the Marine

SGM Joe Houle, USMC (Ret.) was introduced to present information concerning the new Museum of the Marines. The Mission of the Museum of the Marines is to memorialize the contributions of the Marine Corps and its Units which have served in the Carolinas since 1941, and to recognize the role played by the North Carolina Communities who have hosted them. His presentation is included as 2/27/2012(see Attachment 4).

Mrs. Finney Greggs, Assist. Director Montford Point Marines Museum

Mrs. Finney Greggs, Assist. Director Montford Point Marines Museum was introduced to present the Museum and speak on upcoming improvements to the Museum. Mrs. Greggs said, "We would like to remain in our present building. That was the old mess hall known as the "Greasy Spoon" for years. Members working at the Museum have dedicated themselves to preserving the legacy left by the Montford Point Marines and presenting to be public a vial aspect of U.S. Marine Corps history. Montford Point was the only Marine Corps boot camp for African Americans during WWII. The men

who entered through its main gate graduated to become Marines who went on to serve their Corps and country with pride, courage, and dedication. Many of the marines who traveled through this ground-breaking period of American and Marine Corps history have contributed their life successes to the pain, sacrifices, and rewards that were earned at Montford Point. Our mission is to preserve the legacy of the Montford Point Marines. To collect, record preserve and display, in a museum setting for the public education and viewing, the largest collection of photographs, documents, papers, and artifacts', forever capturing the unique history of the African American Marines from 1942 to 1949. The planned phases of the museum are: Phase I (1942-1949) active initial training USMC, collecting memories specific material from WWII. Phase 2 (1950-1973) Progress and growth Phase 3(1974- to present). This includes the name change from Montford Camp to Camp Johnson and will include history from the Korean War, Vietnam and beyond. Long term growth will be to add a Gift Shop that will offer books, caps, t-shirts and souvenirs of Montford Pt. and USMC. They want to add a sound studio that would seat 50-75 people and show the documentary of Montford Point and USMC. The amount of money needed to complete this project is approximately \$40,000.00. This museum is now located in Building M101, Camp Johnson Marine Corps Base Jacksonville, NC. Our main purpose is to inform and educate people about the Unique History found here in Onslow County at Montford Point and to educate people around the world. We receive our funds for this project from a 501C. We have a pending budget and if you have undesignated funds please appropriate them to our museum.

Also we are up to receive the Congressional Gold Medal Award from the President of the United States in the month of May, and the Navy is naming one of their flagships Montford Point. It should be commissioned in the year 2014 or 2015.

Representative Shepard asked, "Is this documentary the current one being shown on UNC-TV. Mrs. Greggs said, "This was the same documentary shown on UNC-TV".

Representative Torbett said ,"Thanks for being here Mrs. Greggs "Can you get the committee a plan of where we are today and where you want to be in the near future with your plans and provisions?" She said, "She could get this for the committee".

Representative Shepard wanted Mrs. Greggs to share about the scholarships they offer the graduates of Onslow County. She said, "They have 36 chapters that offer scholarships and each year and they have a Martin Luther King Ball to raise this monies for theses scholarships. They give these scholarships to high school graduates and students already attending college. They have been giving these scholarships out to students for 20 yrs."

**Michael Archer, Legal Assistance Director,
Marine Corps Installations East**

Michael Archer, Legal Assistance Director, Marine Corps Installations East was introduced and asked to speak on what legal needs the military needed from the committee. His presentation is included as 2/27/12(see Attachment 5).

Representative Shepard asked, "Concerning financing problems, do you have any examples of local marines that this has affected?" Mr. Archer stated, "That all these are not properly documented so his answer is both yes and no. He said, "I have many antidotes."

Dr. Ronald Lingle, President
Coastal Carolina Community College-Military Relations

Dr. Ronald Lingle was introduced and asked to speak on relations between the college and the military. He has been on the board of Trustee since 1988. He stated that he thought that all the other Community Colleges had great support from their communities, same as Onslow, Cumberland Craven and Wayne. And he also stated that Governor Beverly Purdue said, "Our state is the most Military friendliest state in the nation." We have been working very hard over the years to make it a priority for Coastal Carolina Community College to have the best relationship possible with the military and also with the Onslow County community. Dr. Lingle has been serving on the Governors Military Advisor Board for the past three years. He also makes a point that a big part of this relationship is so good between the military and the community is due to the fact we have such great support from Representative George Cleveland, Representative Phil Shepard and Senator Harry Brown. I just want to say, "We are so honored to have you with us today in Jacksonville."

Representative Torbett wanted to know if we could alert the research staff about legislation to correct some of the legal matters that seemed easy to correct for the military. Hal Pell stated, "That the chairs of the committee will make suggestions and send it to the research staff, to bring before the committee."

Representative Bell wanted to thank the chairs for having the meeting at Camp Lejeune. He felt he had learned so much today and was glad to be a part of seeing Camp Lejeune and hearing about the needs of the military.

Representative Shepard wanted to thank, the City of Jacksonville, for them letting us have our meeting here and helping in so many ways to make our meeting a success.

The committee adjourned at 3:05 pm.

A tour was conducted at the Beirut Memorial and the Vietnam Veteran's Memorial.



Representative Phil Shepard, Co-Chair Presiding
Representative Bill Cook, Co-Chair



Pamela Pate, Co-Clerk
Amanda Vuke, Co-Clerk

Greetings

I'm speaking today as a representative of Onslow County, the City of Jacksonville, the other municipalities of our County and the joint interest they have in Economic Development to honor our military as well as to protect and preserve our ability to have them in our community.

A new round of BRAC has been announced, and we want to ensure that we're doing all we can to help protect our bases. Today, I'm going to speak about issues that are important to us, as well as some issues that help protect the 26.4 billion dollar annual value of the military to this State.

Encroachment

My role as an economic developer appreciates the work to streamline regulations and to reduce obstacles for businesses. Please however maintain tools that local governments can use to protect our bases from encroachment that would limit their ability to train and operate.

Equally, we would endorse the effort of the bases and many state agencies which have acquired interests in lands adjoining military bases. We know in tough times that paying money for conservation easements may seem an easy cut. However, these easements have the same benefit as roads, water and sewer for protecting the uses of adjacent lands to these bases.

We've all seen the number of stormwater ponds increase. We've seen in our area the connection between stormwater ponds and birds. They are naturally drawn to these ponds. Birds and aircraft do not mix well. We're asking for options that could reduce the number of stormwater ponds and lagoons in our state to protect military and civilian flights.

Census

While the legislature has little power over Census matters, we are asking that you use whatever platform you have available to get two things changed. One is how the Census counts deployed troops during wartime and the other to reflect the significance of the service of our troops during the 2010 Census. During the 2010 Census it is estimated that between 30-75,000 troops assigned to bases in the State were counted in other locations. Those locations did not provide services for these military when they were here in our community, nor did they provide services for their families and loved ones that stayed behind when the service member deployed. Their children attended our schools, their families traveled on the State's roads and their loved ones were supported by this community while they waited here patiently for them to return home to Onslow County.

For the 2020 Census, we want your help in getting the procedure changed that counts wartime deployed troops at their home of record. We want them counted either at the base that deployed them, or at the base that they will return to. It is much fairer than counting them at the place where they entered the military, and often never return.

Quality of Life

When those troops are home, we want quality things for them to do. That's why we're asking that you reflect on the economic impact of the military in our state and the honorable service they perform by giving communities in which they live **extra points** on state grant fund applications.

Also, we're asking that you consider **supporting efforts to advance entrepreneurial opportunities** to serve youthful populations. Consider strategies that would give an emphasis to businesses that would serve the youthful populations in military communities.

Many of these military were able to select what base they would be assigned to. I know from my previous life as a real estate agent that many military families chose our area not only for its natural benefits, but for the community that we have. They wanted to come here because we have a strong accredited school system and every school within system is also accredited. We also have some excellent education programs that serve special populations frequently sought out by military families.

Infrastructure

We want to make our area better for them and for those who serve them. We support efforts to create a rail connection from Wilmington to Fort Bragg, and rail between the two ports through our community. The creation of the freeway from Bell Fork Road to the main gates of Camp Lejeune is very needed as well as efforts to break the gridlock at NC 210 and NC 172 at Sneads Ferry. We're also supportive of the effort to improve connections to I-95 that could benefit this entire region which you will hear about in a few moments from Anthony Prinz.

Part of the unique qualities of our community has been the relationship between local governments and the military. Right now the City and the regional water service ONWASA are being forced to draw water out of an aquifer that had for a long time been the sole provider of water for the bases. Because of their location, the City and ONWASA can draw from the deeper aquifer, but aboard the bases, the only aquifer available is a shallower one. Base officials are concerned that so many drawing from this aquifer could weaken it and cause salt water intrusion at a higher rate. Regulators had required the use of another aquifer by the City and ONWASA because of a concern for the deeper aquifer, but there is evidence it is much healthier than regulators had feared.

We're asking for a model of the aquifers so regulators can make more realistic regulations to help protect the aquifer used by the bases.

Closing

We truly appreciate your decision to hear from us, and especially your decision to visit our community. We're proud of our military and very proud of our relationship with our military leaders, friends and neighbors.

Onslow

 Richlands

Jacksonville

Swansboro

Holly Ridge

N Topsail Beach

Slide 23



Onslow

Richlands

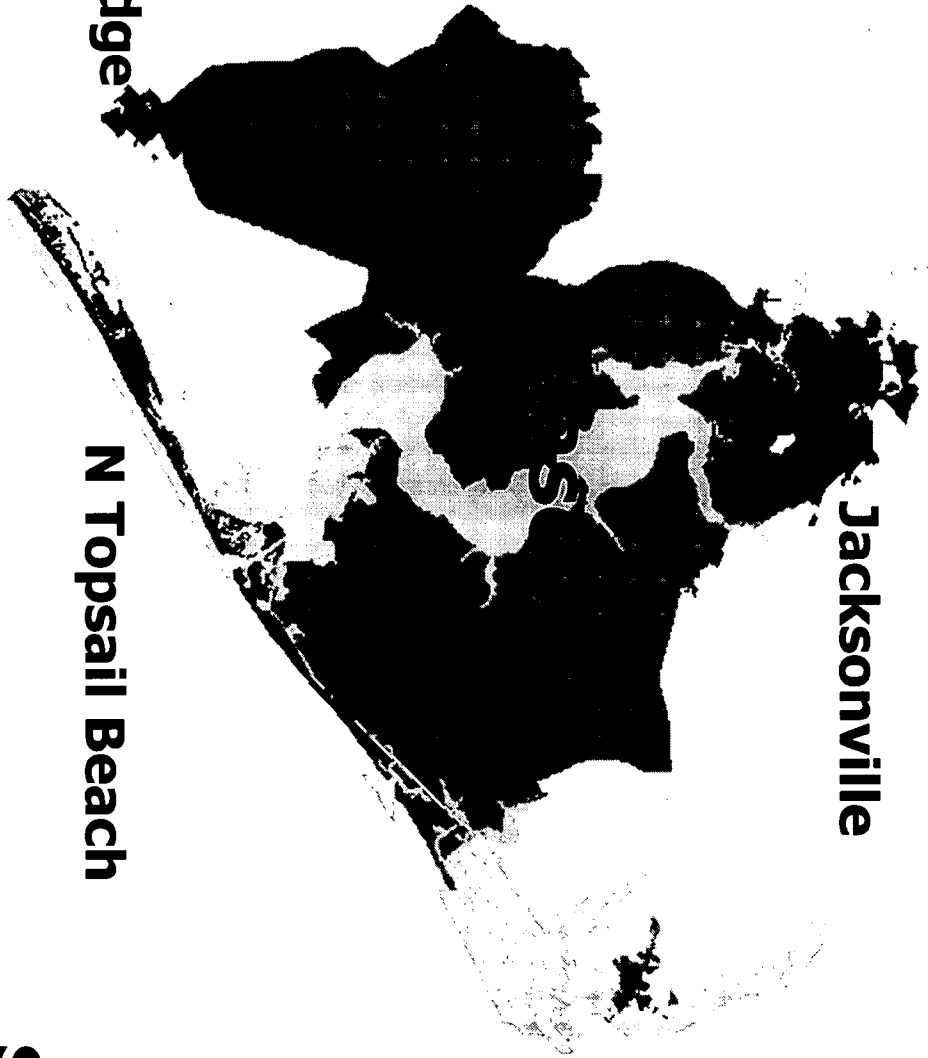
Jacksonville

Swansboro

Holly Ridge

N Topsail Beach

Slide 24

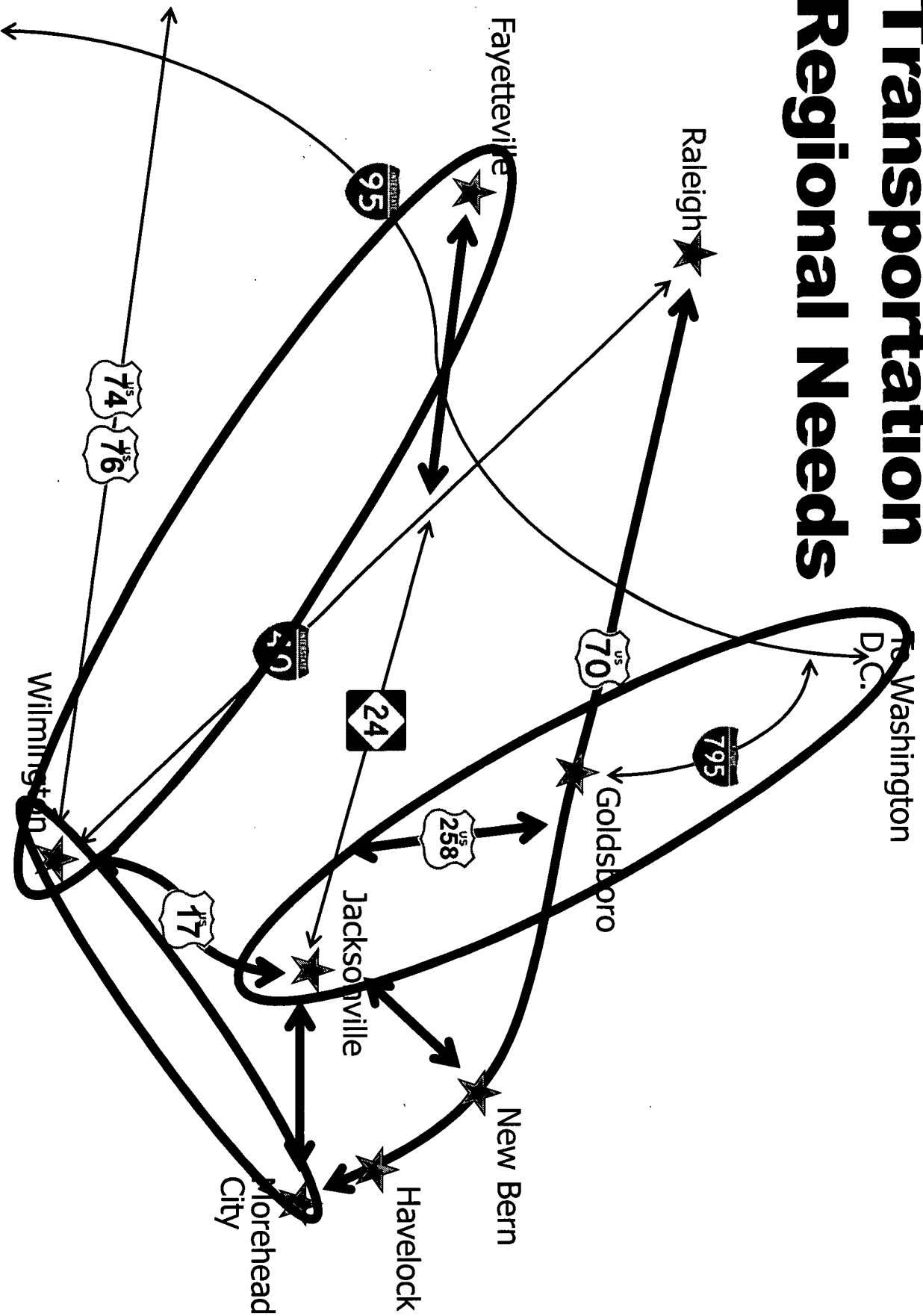




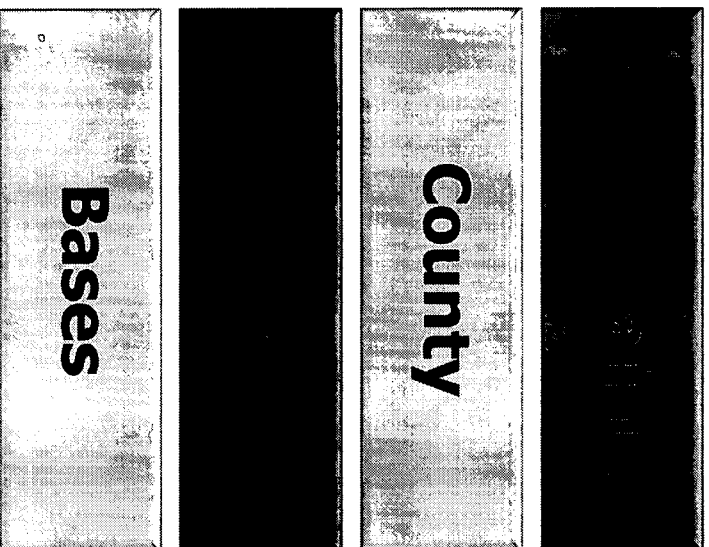
*Not everyone in our family was counted
when the Census took our picture!*



Transportation Regional Needs

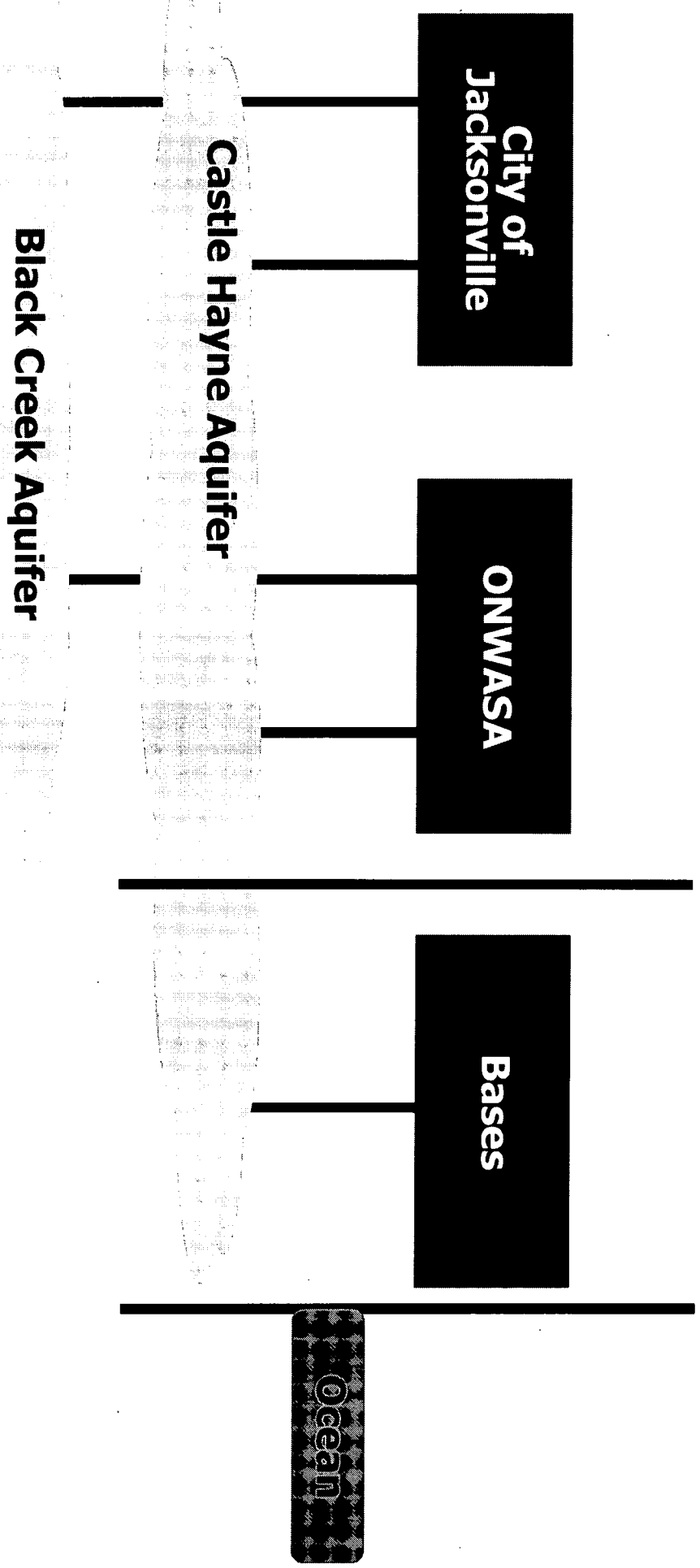


A Spirit of Cooperation

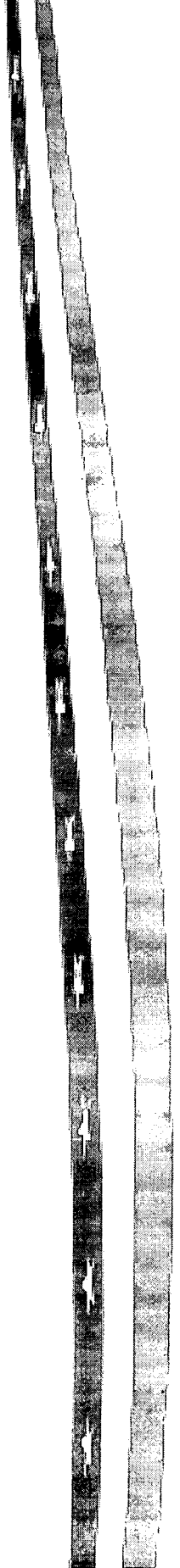


**Community – Military
Cooperative Planning Group**

Water



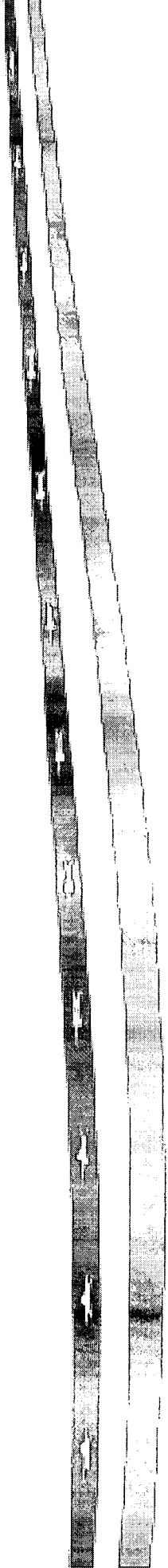
NC HOUSE OF REPRESENTATIVES SELECT COMMITTEE ON MILITARY AFFAIRS



Regional Transportation Planning Overview

Anthony Prinz

MPO Administrator



Current Issues

- Rail connectivity
- Interstate connectivity
- Traffic congestion



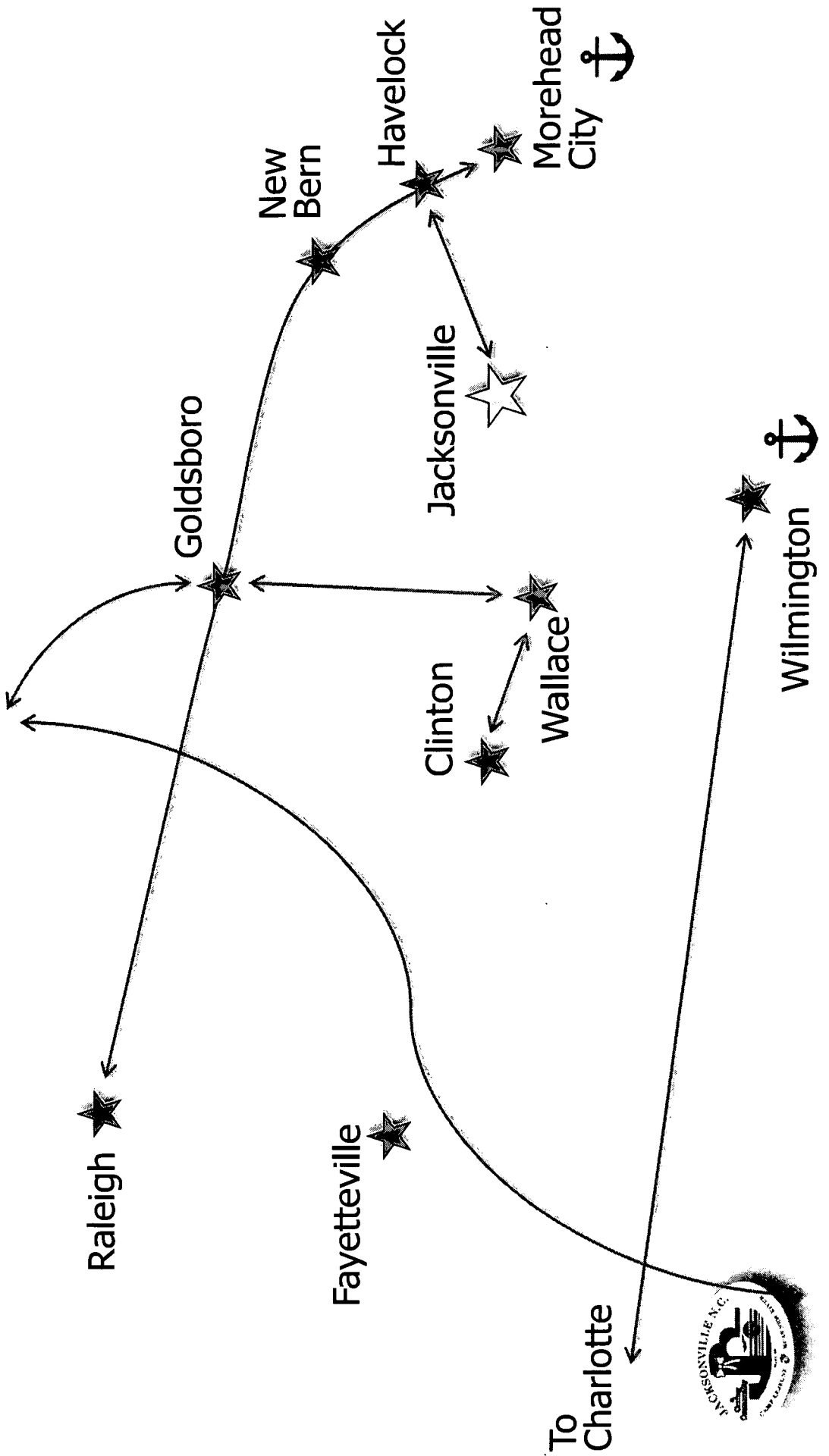
Rail Connectivity

- Rail once thrived in SE North Carolina
- Removal of track in 1980s
- Today reemerging value
- Communities seeking rail connectivity
- Support military and economic development



Existing Rail

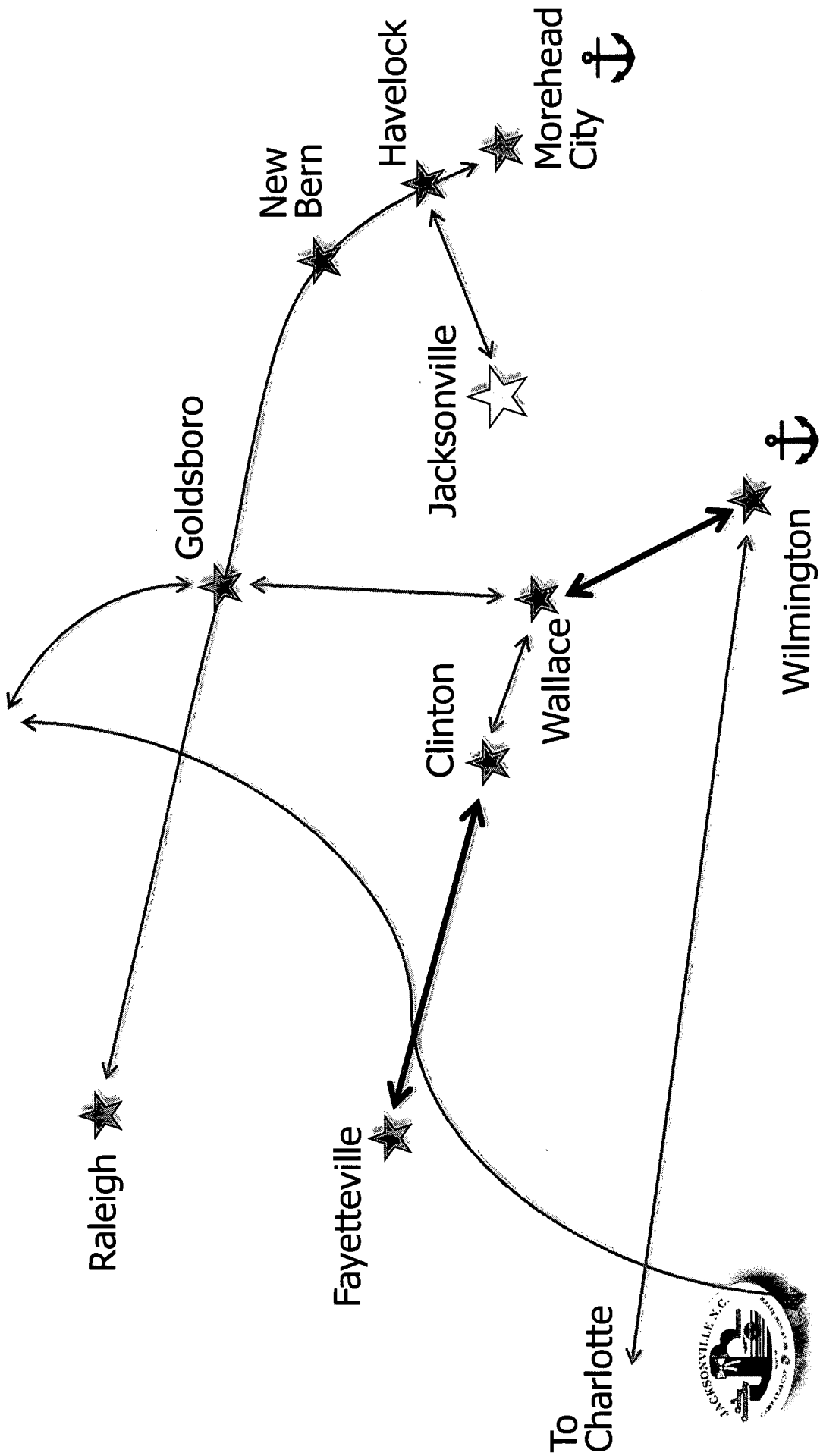
↔ Existing Track



Planned Rail

Existing Track

Planned Track

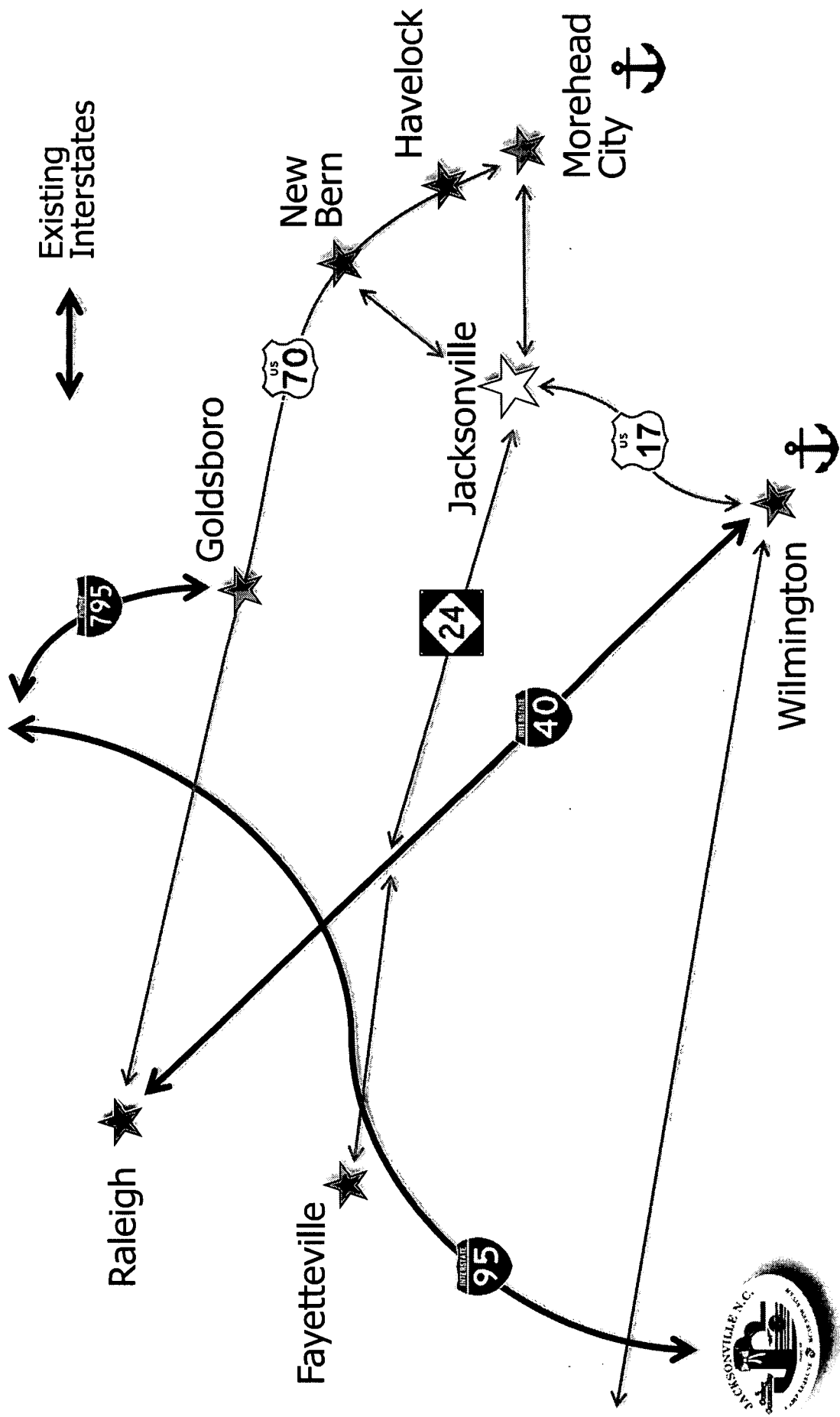


Interstate Connectivity

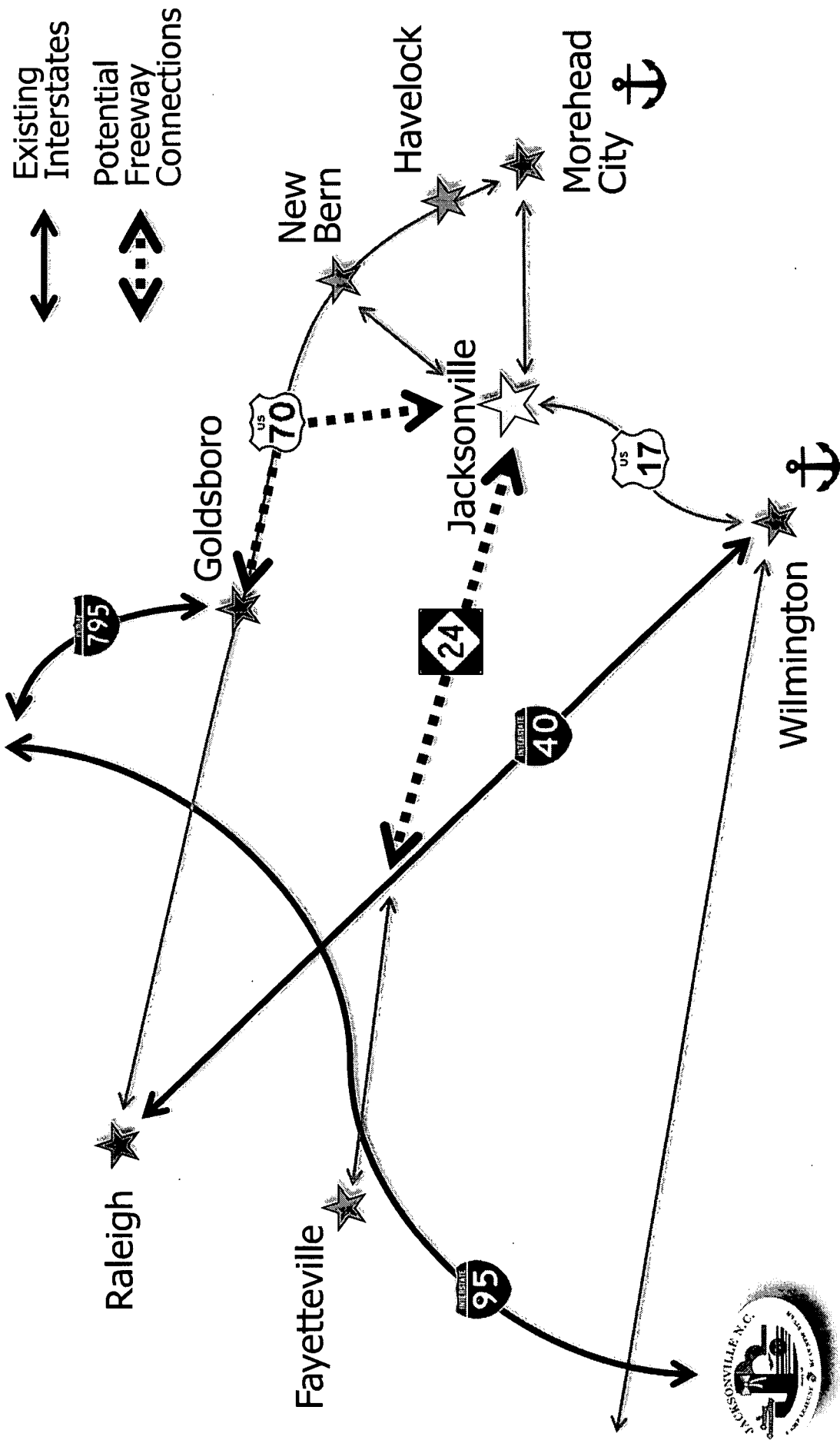
- **Jacksonville largest NC city** without expedited connectivity to **Interstate Highway System**
- **MCBCL largest military installation** without direct connectivity to **Interstate Highway System**
- Support military and economic development



Existing Interstates



Potential Connectivity



Traffic Congestion

- NC 24 (MCBCL Main Gate)
- NC 172 and NC 210 (MCBCL Sneads Ferry Gate)
- Support military and economic development

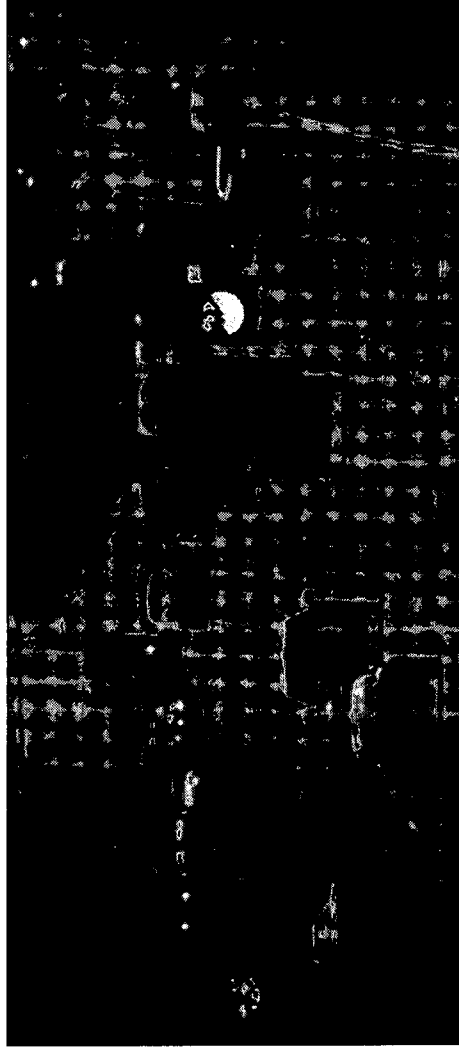
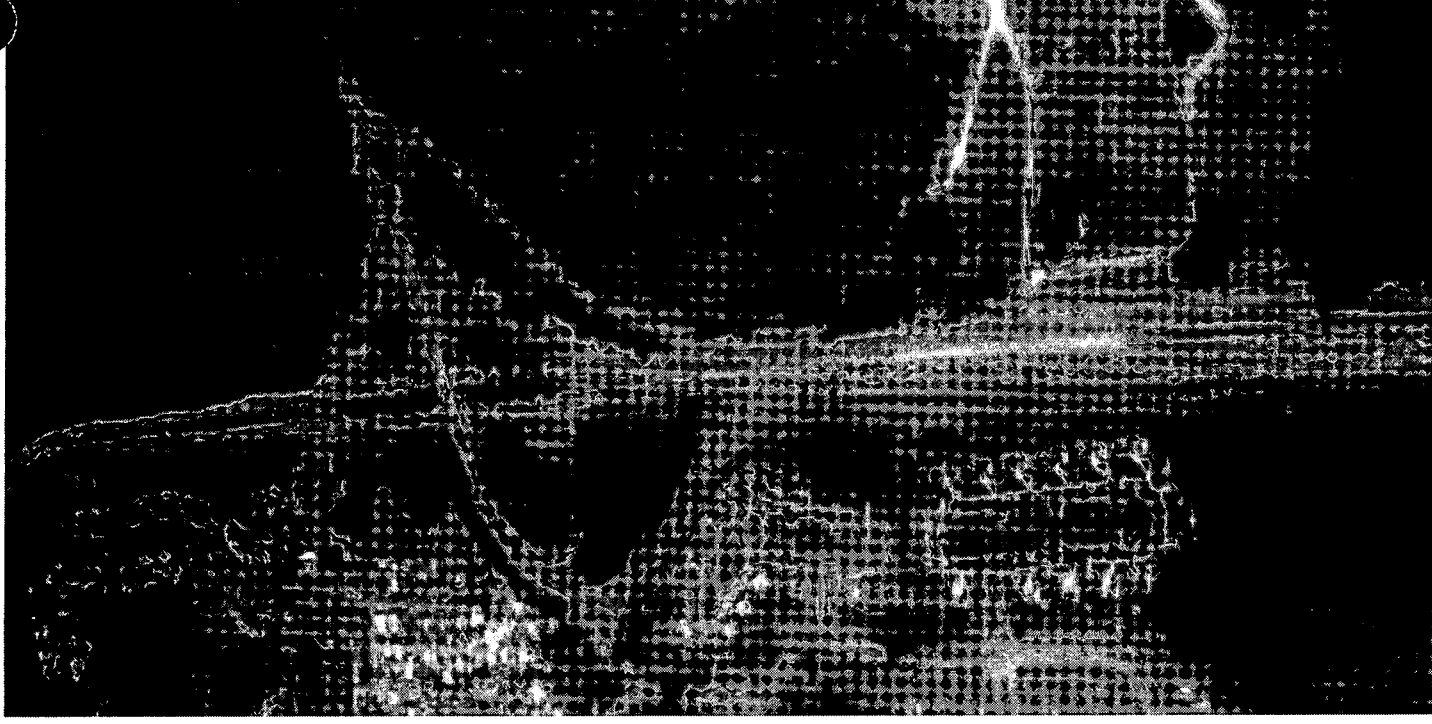
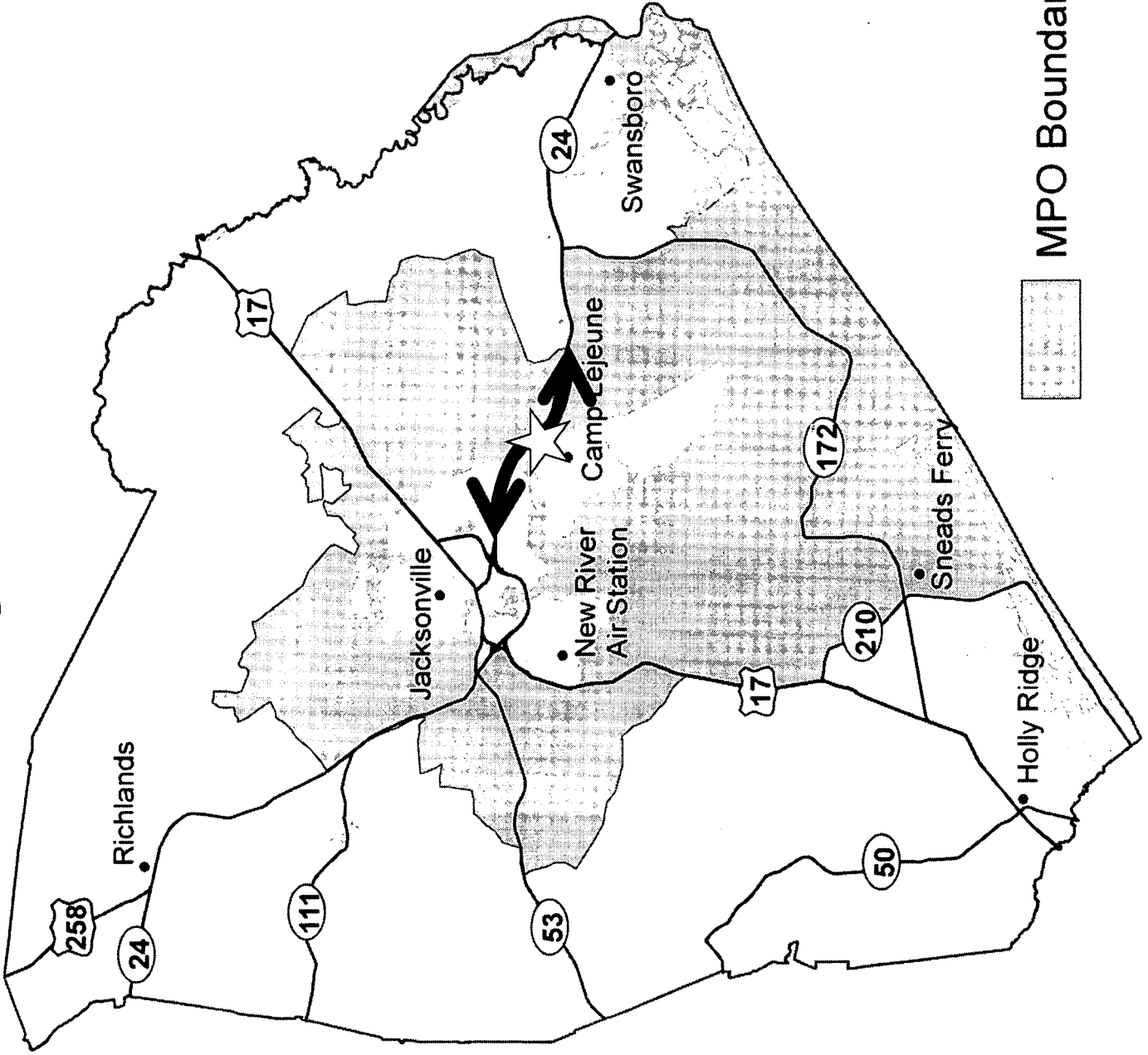


Photo source: JD News

NC 24

- Regionally significant highway
- Serves multiple roles
- Traffic congestion
- Safety concerns

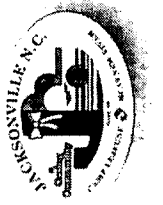
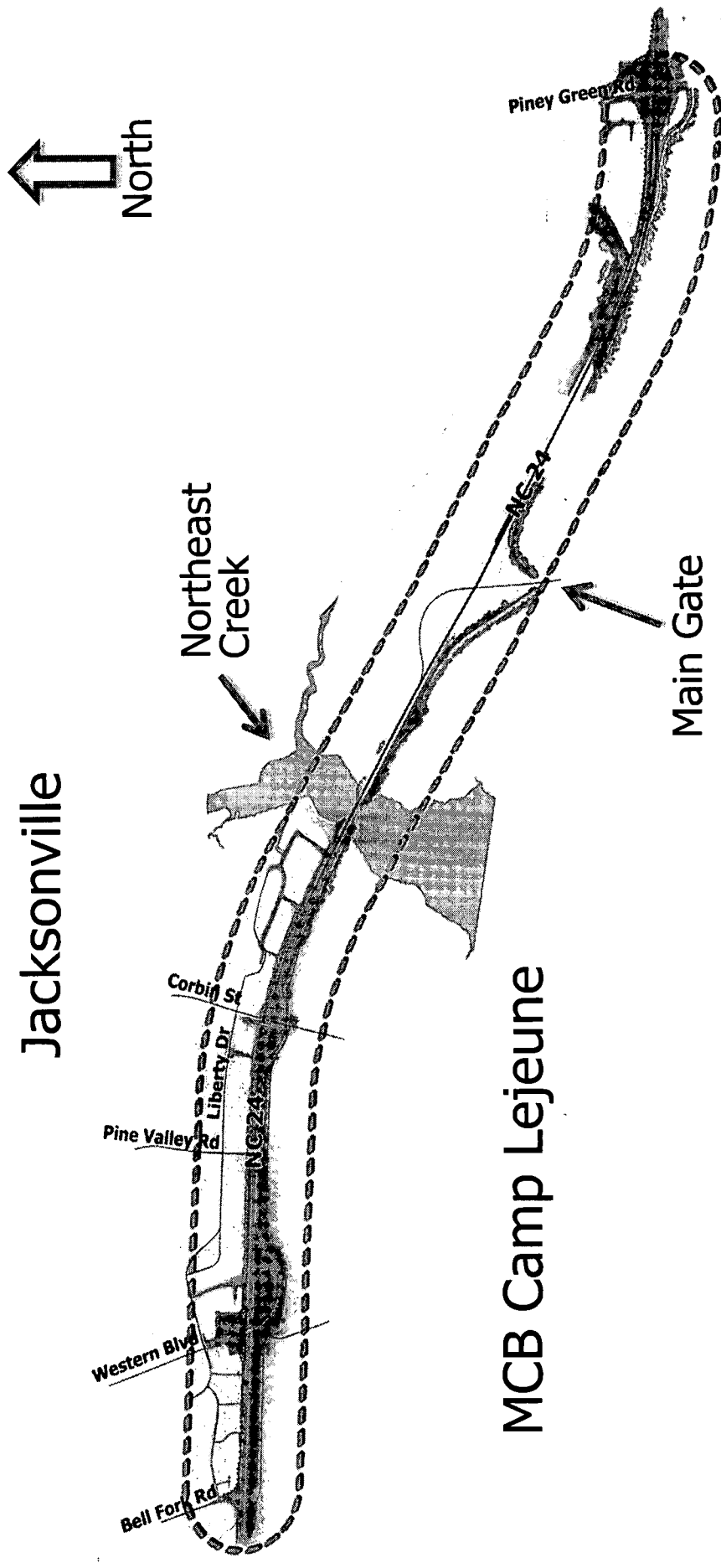




MPO Boundary

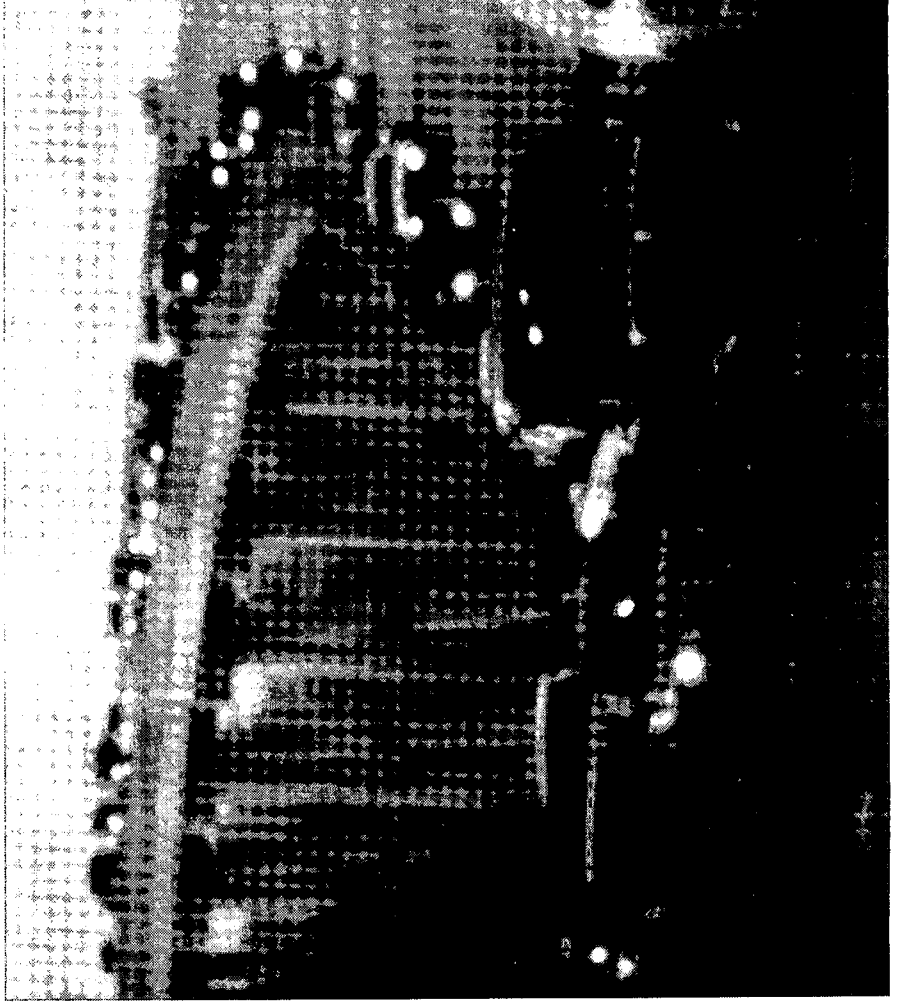


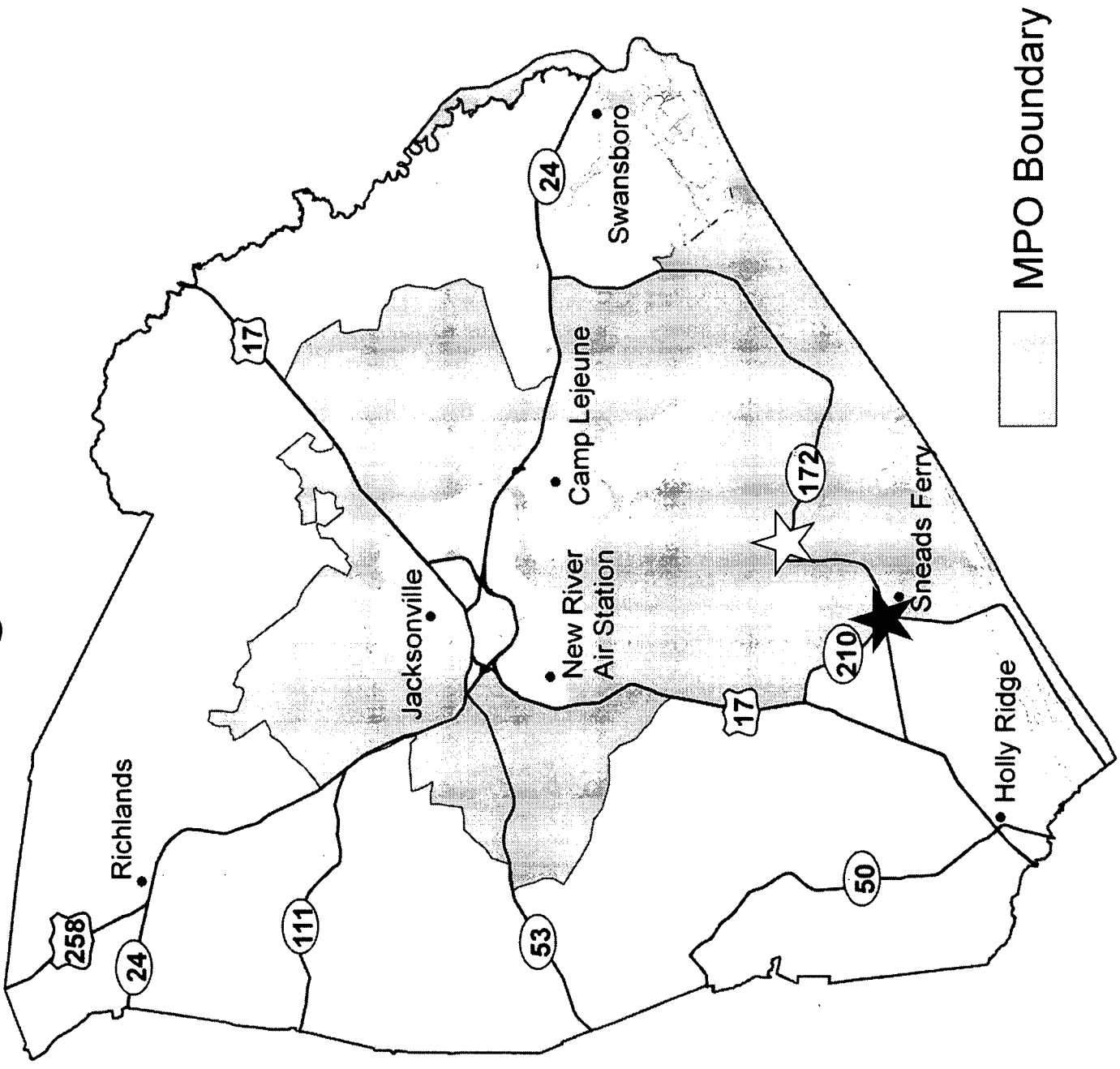
NC 24 Traffic Congestion



NC 172 and NC 210

- Military growth
- Community growth
- Traffic congestion
- Safety concerns





☐ MPO Boundary

NC 172 and NC 210 Traffic Congestion

- Sneads Ferry Gate improvements
- NC 172/NC 210 improvements
- NCDOT feasibility study

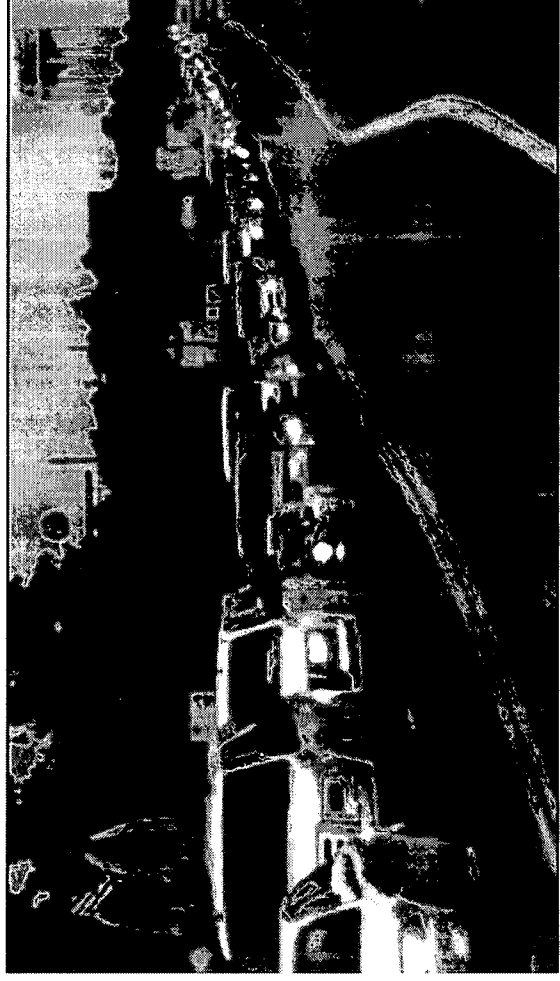
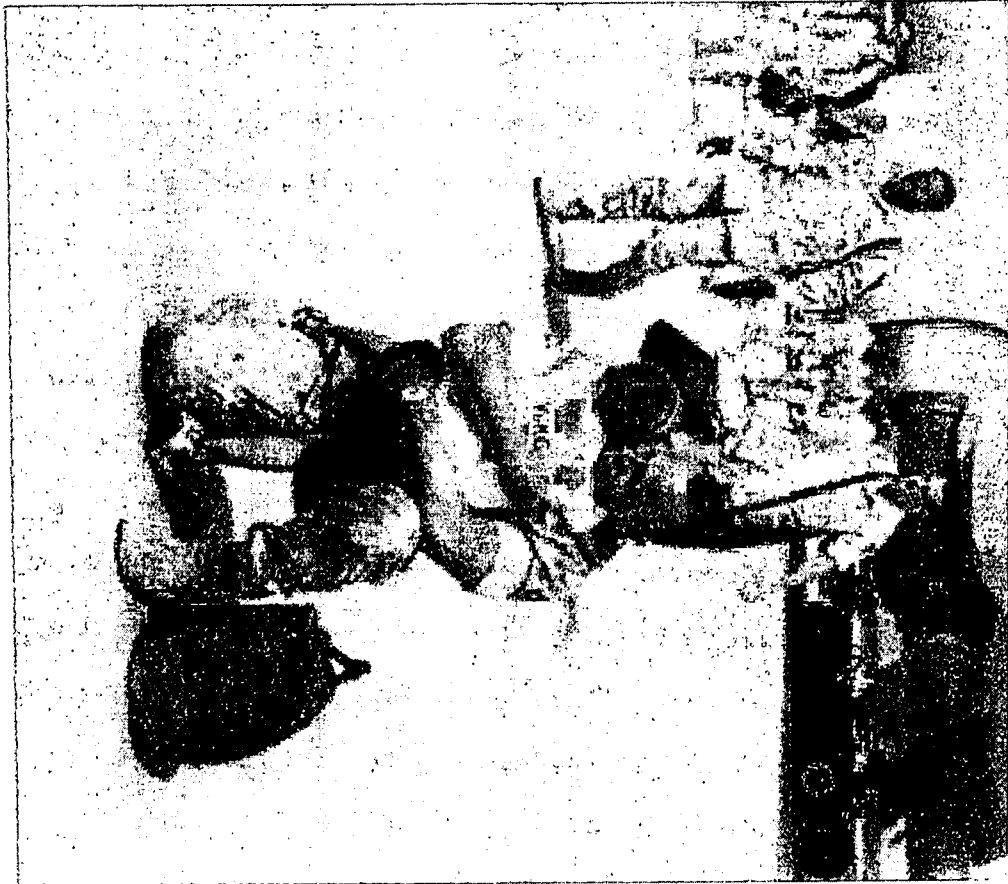


Photo source: JD News



In Support of North Carolina HB487

*To improve opportunities for military families stationed in
North Carolina to receive care for dependents with autism*



North Carolina HB487

- This spring, the NC General Assembly will consider HB487
- What is **HB487**, and why does it matter to **YOU**?
- Will permit **NC children with autism to receive Applied Behavior Analysis (ABA) services.**
- Allows highly qualified **Board Certified Behavior Analysts (BCBA's)** to provide ABA services.
- **Refines an outdated rule** that forces ABA services to be provided by licensed psychologists, who **may or may not have any training in ABA.**
- Allows for **increased access to higher-quality services** for NC children with autism.

How Prevalent is Autism?

- According to the Autism Society of North Carolina, **1 in every 100** children in the USA have some form of autism spectrum disorder, or ASD.
- According to the Caring for Military Kids with Autism Act (HR2288) now before the US Congress, **1 in 88 military children** demonstrates evidence of autism.
- **Less than 10 percent** of these approximately 30,000 children with ASD are receiving recommended treatments.

Can Autism be Treated?

- Children with autism can realize lives of achievement and inclusion **if provided with appropriate treatment.**
- “Appropriate treatment” must be:
 - **Early and Intensive**
 - **Based on the principles of ABA.**

What is ABA?

- Applied Behavior Analysis is “a discipline devoted to the **understanding and improvement of human behavior**” (Cooper, Heron, and Heward).
- Relies on one-to-one intervention in the child’s natural environment, improving communication and behavior through the use of **consistent positive reinforcement**.
- **Over 3 decades of research**, showing:
 - Improved speech skills
 - Improved daily functioning
 - Academic Success
 - Improved IQ scores
 - Reduction of dangerous behaviors

What is ABA?

- ABA is the **ONLY** treatment regarded "**objectively substantiated as effective**" by the Association for Science in Autism Treatment.
- This position has been echoed by:
 - The American Academy of Pediatrics
 - National Institutes of Health
 - US Surgeon General
 - Food and Drug Administration
- Best results achieved when **parents are taught** to provide ongoing support.

Military Approach to Autism?

- TRICARE has worked to provide intensive ABA support to active military families during a four year program, known as the **Autism Demonstration Project**.
- The project has achieved such extraordinary results that TRICARE is prepared to make the benefit permanent.
- TRICARE requires that ABA services are supervised by **Board Certified Behavior Analysts** and be delivered by **Certified Behavior Analysts or Associate Analysts**.

How Are Analysts Certified?

- The **Behavior Analyst Certification Board**, or BACB, was founded in the 1980's, and is the standard-bearer for guiding principles and best-practices within the field of ABA.
- Certification requires:
 - Rigorous training and educational achievement
 - Field experience, supervised by a currently certified analyst
 - Passing an examination created by foremost professionals
- Are Psychologists automatically certified as Behavior Analysts?
 - Having a doctorate in psychology does not provide a shortcut through the BACB certification process. Anyone who wishes to be recognized as a Board Certified Behavior Analyst must fulfill the Board's educational and experiential requirements.

Who Does the BACB Certify?

- There are 2 types of certification offered by the BACB:
 - BCBA – Board Certified Behavior Analyst
 - Must possess at least a **master's degree** in a relevant field
 - **1,500 hours** of in-field experience, supervised by a currently certified BCBA.
 - BCaBA – Board Certified Assistant Behavior Analyst
 - Must possess at least a **bachelor's degree** in a relevant field
 - **1,000 hours** of in-field experience, supervised by a currently certified BCBA.

Why HB487?

- Current law in North Carolina classifies ABA under the umbrella of “psychological services”.
- This means that in NC, **only** a licensed psychologist may provide or oversee ABA programming.
- This is problematic, in that:
 - Very few licensed psychologists are also certified behavior analysts.
 - There are **no more than 20** licensed psychologists in NC that are certified by the BACB.
 - Most NC insurers, including TRICARE, **require that services be provided by a BCBA.**
 - State licensure in psychology **does not require significant training in ABA.**

Why The Restriction?

- As is the case with any successful treatment, there is concern **that less qualified practitioners will promote services that are inferior.**
- For this reason, the American Psychological Association (APA) and others have looked to **control poor practice by limiting who can provide services.**
- While a perfectly valid intention, this restriction has resulted in the unfortunate consequence of **keeping children in need from receiving life-changing services from those who are best-suited to provide them.**

What Have Other States Done?

- Currently, **29 states** have laws that **require insurance carriers to deliver autism services** to the children who need them.
 - Most of these recognize that **the most qualified ABA specialists are those certified by the BACB.**
- This spring, **North Carolina** will also consider a law (**HB115**) mandating insurance coverage for autism.
- Pennsylvania and Arizona have set up **ABA licensing bodies.**
- Connecticut has made it **a crime to deliver inferior or deceptive ABA services.**

How Can We Support HB487?

- **NC residents can call or write their legislators and ask them to support HB487.**
 - To locate addresses and phone numbers for North Carolina legislators, visit <http://www.ncleg.net/GIS/representation/Representation.html>
- **Continue to learn about and talk about autism, so as to refute myths about the condition and about ABA that shape both opinion and policy.**
- **Call and request that your insurance carrier provide services for autism.**
- **Provide support for other legislation that recognizes the need to fund Autism services including North Carolina's HB115 and the federal Caring for Military Kids with Autism Act (HR2288).**

Support North Carolina HB487

*Together, we can improve opportunities for military families
stationed in North Carolina to receive care for dependents
with autism.*

In Support of North Carolina HB487

To improve opportunities for military families stationed in North Carolina to receive care for dependents with autism



This spring, the North Carolina General Assembly will consider HB487, a bill that expands the definition of who can provide Applied Behavior Analysis (ABA) services to children with autism. Presently, only licensed psychologists are permitted and few are trained in ABA.

This problem is dangerously acute among military families as their TRICARE insurance requires that ABA is delivered by clinicians certified by the Behavior Analyst Certification Board (BACB). As there are no more than 20 licensed NC psychologists certified by the BACB, an artificial barrier to services is keeping the children of military personnel stationed in North Carolina from receiving the only kind of therapy that will allow them to realize lives of achievement and inclusion.

The BACB standard is becoming the accepted norm across the nation, (10,000 certifications have been issued worldwide), which means that military families raising children with autism know that their children often lose access to essential service when transferred to North Carolina.

Military families make enough sacrifice for our nation. We shouldn't ask that they sacrifice the well-being of their children because of an outdated rule.

How prevalent is the challenge of autism?

According to the Caring for Military Kids with Autism Act (HR2288) now before the US Congress, one in 88 military children demonstrates evidence of autism, and less than 10 percent of approximately 30,000 children are receiving recommended treatments.

Can autism be successfully treated?

We can help children with autism realize lives of achievement and inclusion if we provide them with early intensive behavioral therapy based on the principles of Applied Behavior Analysis (ABA). More than three decades of research has proven that ABA can dramatically improve a child's speech, daily functioning, academic success, and even result in improved IQ scores, as well as curb dangerous behaviors. States as diverse as New York and Texas have produced reports proclaiming the effectiveness of ABA and the long term economic benefits it provides.

What is Applied Behavior Analysis (ABA)?

As a therapeutic intervention for children with autism, ABA stands alone. It is the only treatment regarded "objectively substantiated as effective" by the Association for Science in Autism Treatment. This recognition has been repeated by the American Academy of Pediatrics, National Institutes of Health, U.S. Surgeon General, and the FDA.

ABA relies on a one-on-one intervention that teaches improved behaviors and communication skills through the use of constant encouragement and positive reinforcement. It requires a minimum of 20 hours of support a week in the child's natural environment. The best results are obtained when parents are taught how to provide ongoing support. In fact, one of the most positive results of ABA is that it allows parents to find a way to communicate with their children.

What is the military's approach to autism care?

TRICARE insurance has worked to provide intensive ABA support as a benefit to active military families during a four year Autism Demonstration Project. The project has yielded such positive results using BCBA's that TRICARE is prepared to make the benefit a permanent one.

Does the Behavior Analyst Certification Board (BACB) maintain standards?

Established in the 1980s by pioneering therapists, this universally respected board sets the standards and guiding principles of ABA. To receive their professional certification requires rigorous training, field experience, and the passing of an exam. To maintain certification, requires sanctioned supervision and the fulfillment of continuing education requirements.

Who does the BACB certify?

BCBA – Board Certified Behavior Analysts, sometimes referred to as ABA Consultants, must possess at least a master's degree in a relevant behavioral field. The board considers them qualified to deliver and supervise ABA-based therapies.

BCaBA – Board Certified Assistant Behavior Analysts sometimes referred to as ABA Tutors must possess at least a bachelor's degree in a relevant behavioral field. They are sanctioned by the Board to provide direct services under the supervision of a qualified BCBA.

Are clinical psychologists automatically certified as Behavior Analysts?

Having a PhD does not provide a shortcut to certification. Anyone who wishes to be recognized as a BCBA must fulfill the Board's educational and experiential requirements.

Why was the North Carolina restriction originally created?

The American Psychological Assoc. and others looked to control unscrupulous individuals taking advantage of ABA's promise by limiting who can provide services. This valid intention has resulted in the unfortunate consequence of keeping too many children from receiving life-changing help.

What have other states done?

Some 29 states now require insurance carriers to deliver autism services to children (NC is currently considering such a mandate). Most permit services to be delivered by BCBA's. Some states have been more creative. Pennsylvania and Arizona have set up ABA licensing bodies. Connecticut has made it a crime to deliver unqualified ABA services. Florida and California have carved out exemptions in psychology regulations to permit BACB certified professionals to deliver ABA services. Some in NC are looking at the exemption approach as a possible solution.

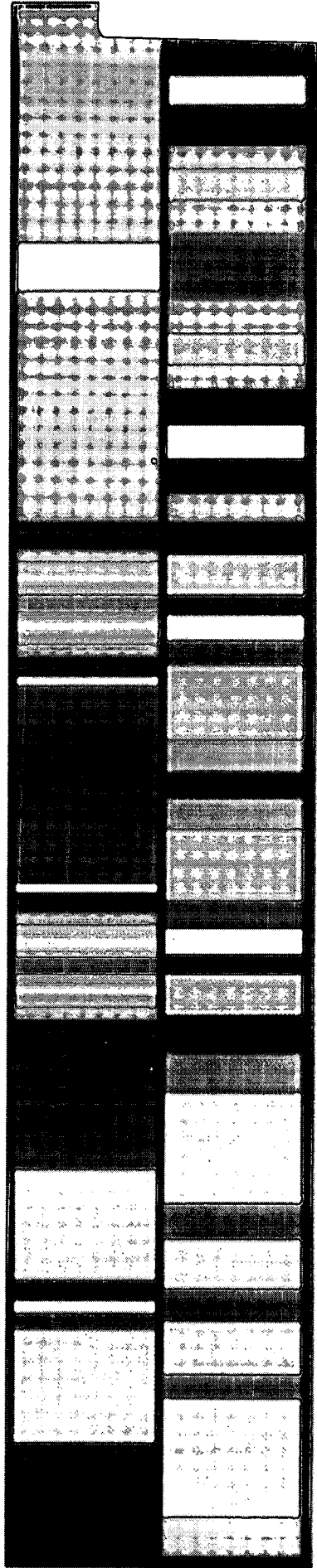
What expenses are associated with the bill?

No funding is attached to the bill. It's simply about removing artificial barriers to service. In fact money will be saved. Research in Ohio and Texas indicates that when a child with autism develops skills early, it saves large sums of public spending during his or her primary education as well as over the individual's adult life.

What can people do to show support for military families?

- NC residents can call or write their legislators and ask them to support HB487. Locate representatives at <http://www.ncleg.net/GIS/representation/Representation.html>
- Continue to learn and talk about autism, so as to refute myths about the condition and about ABA that shape both opinion and policy
- Request that your insurance carrier provide services for autism and allow them to be delivered by board certified analysts

Museum of the WARREN

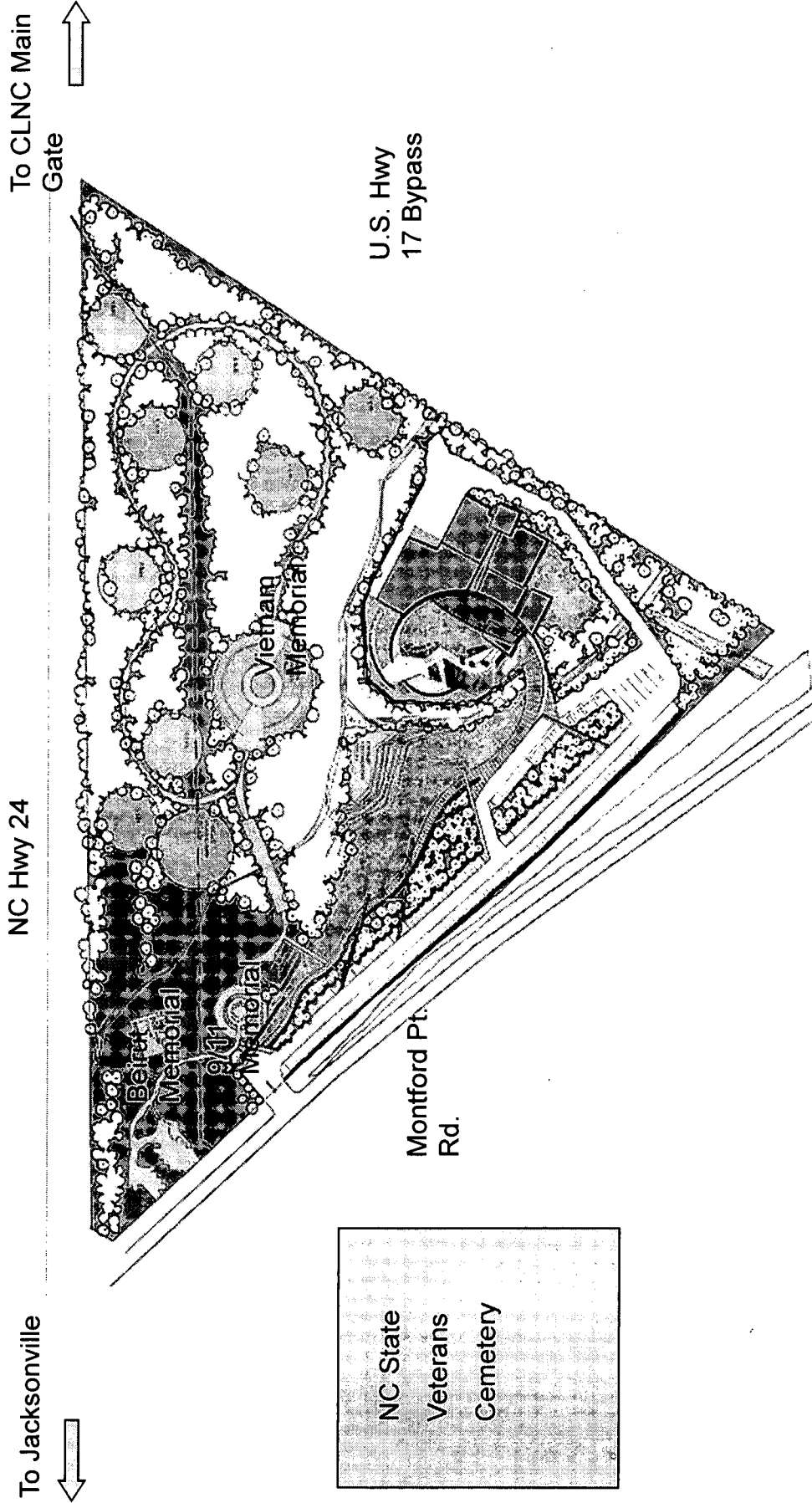


Community • Corps • Carolina

Mission Statement

The Mission of the Museum of the Marine is to memorialize the contributions of the Marine Corps and its Units which have served in the Carolinas since 1941, and to recognize the role played by the Carolina Communities who have hosted them.

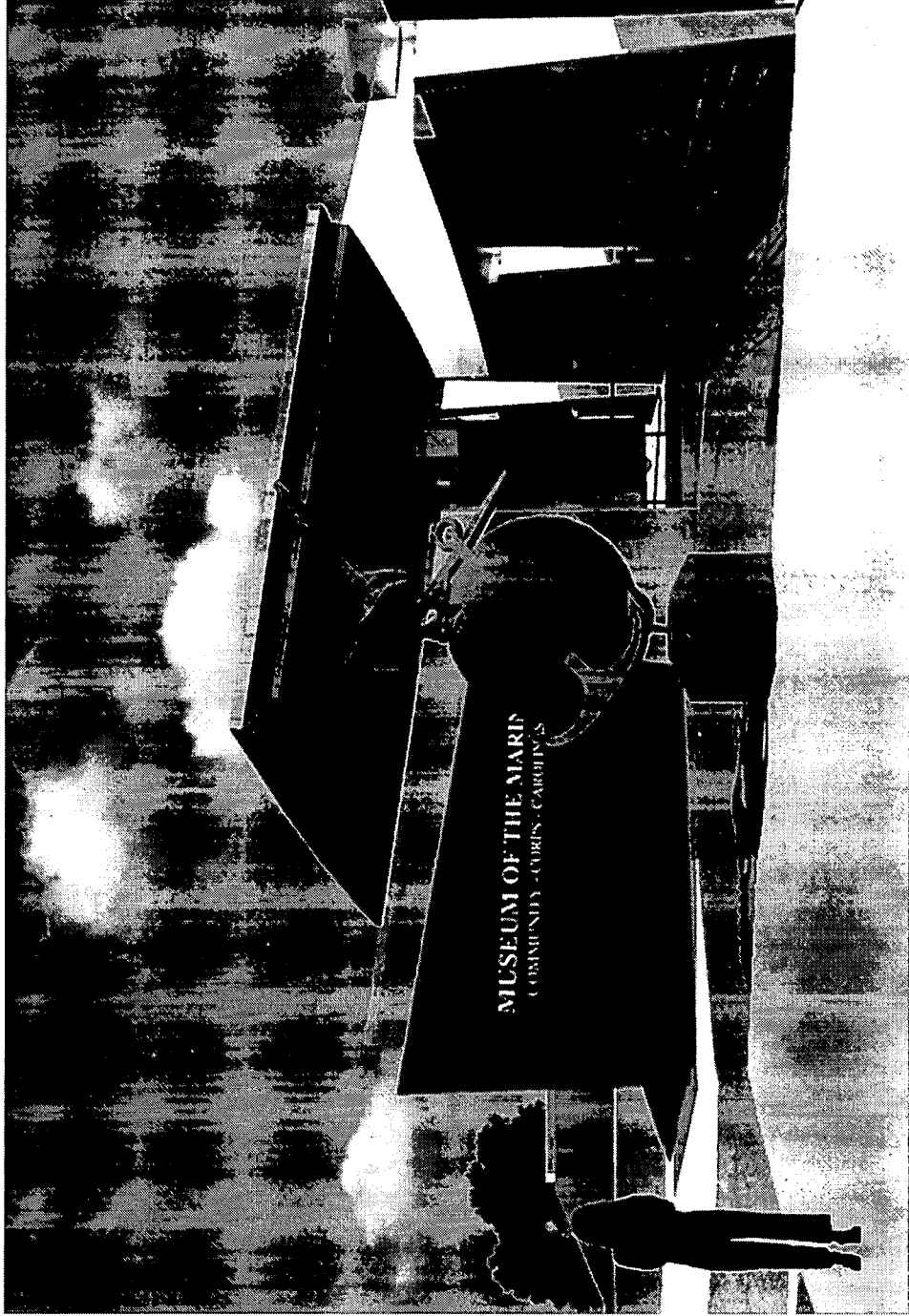
MOTM Site

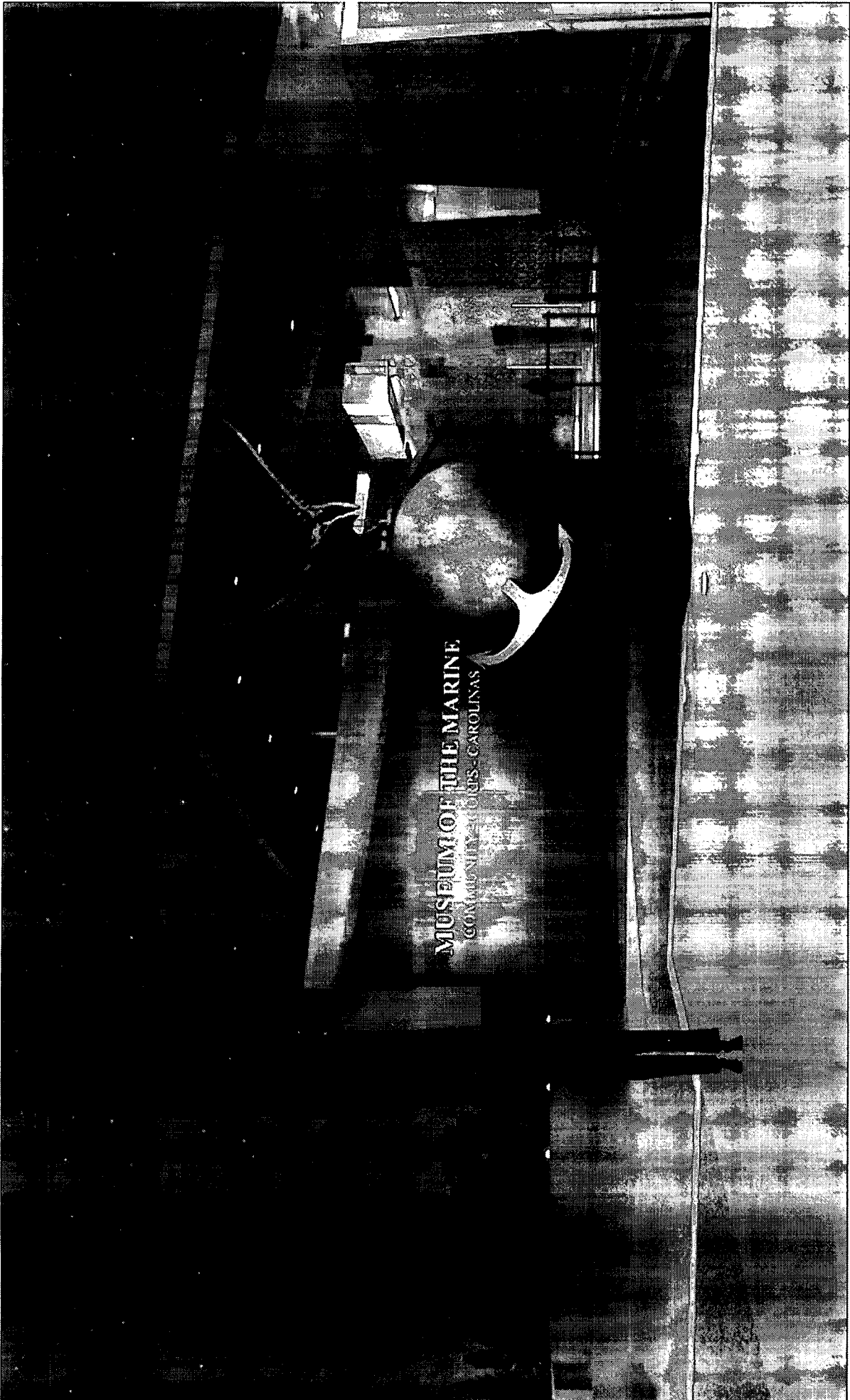


Exterior

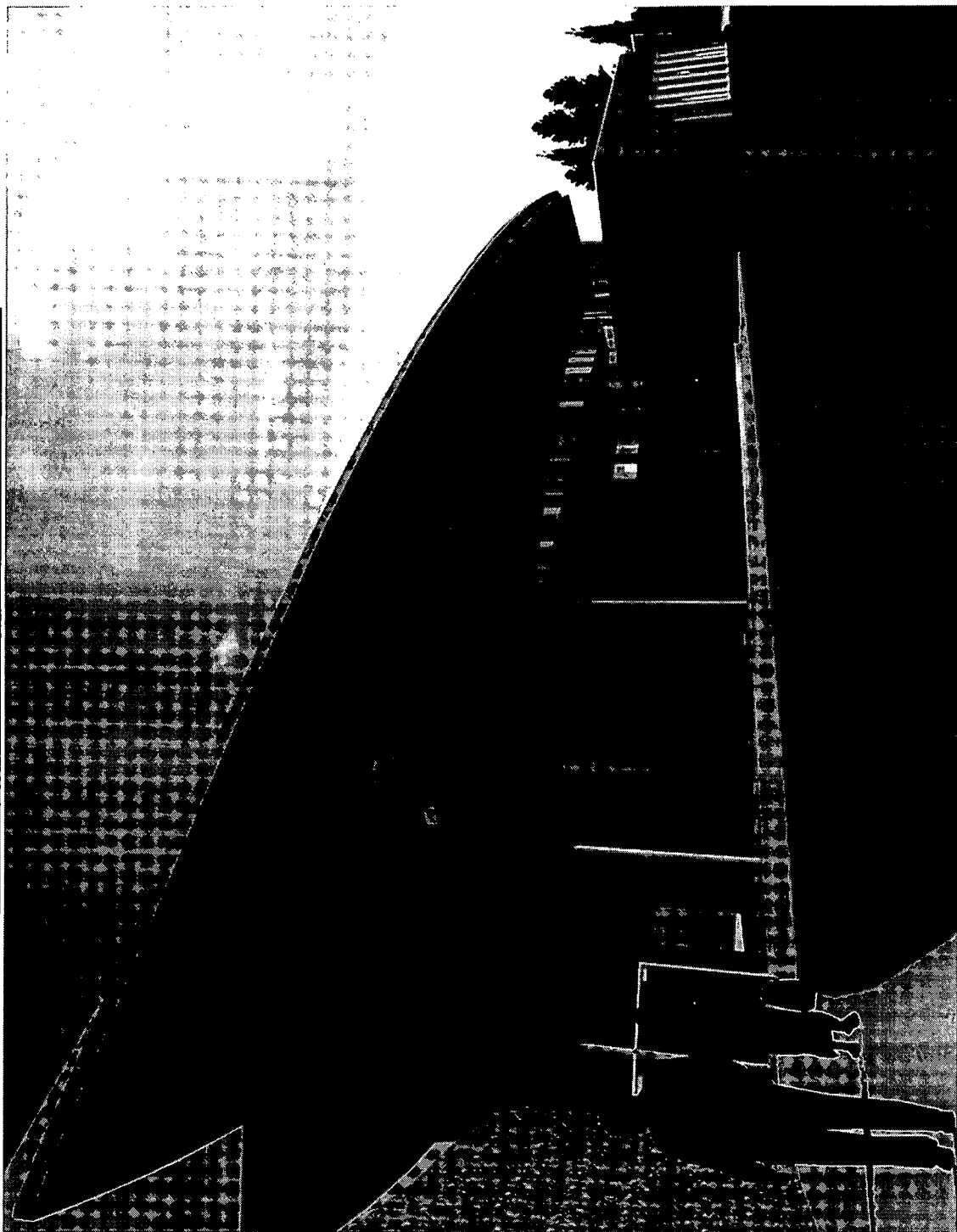


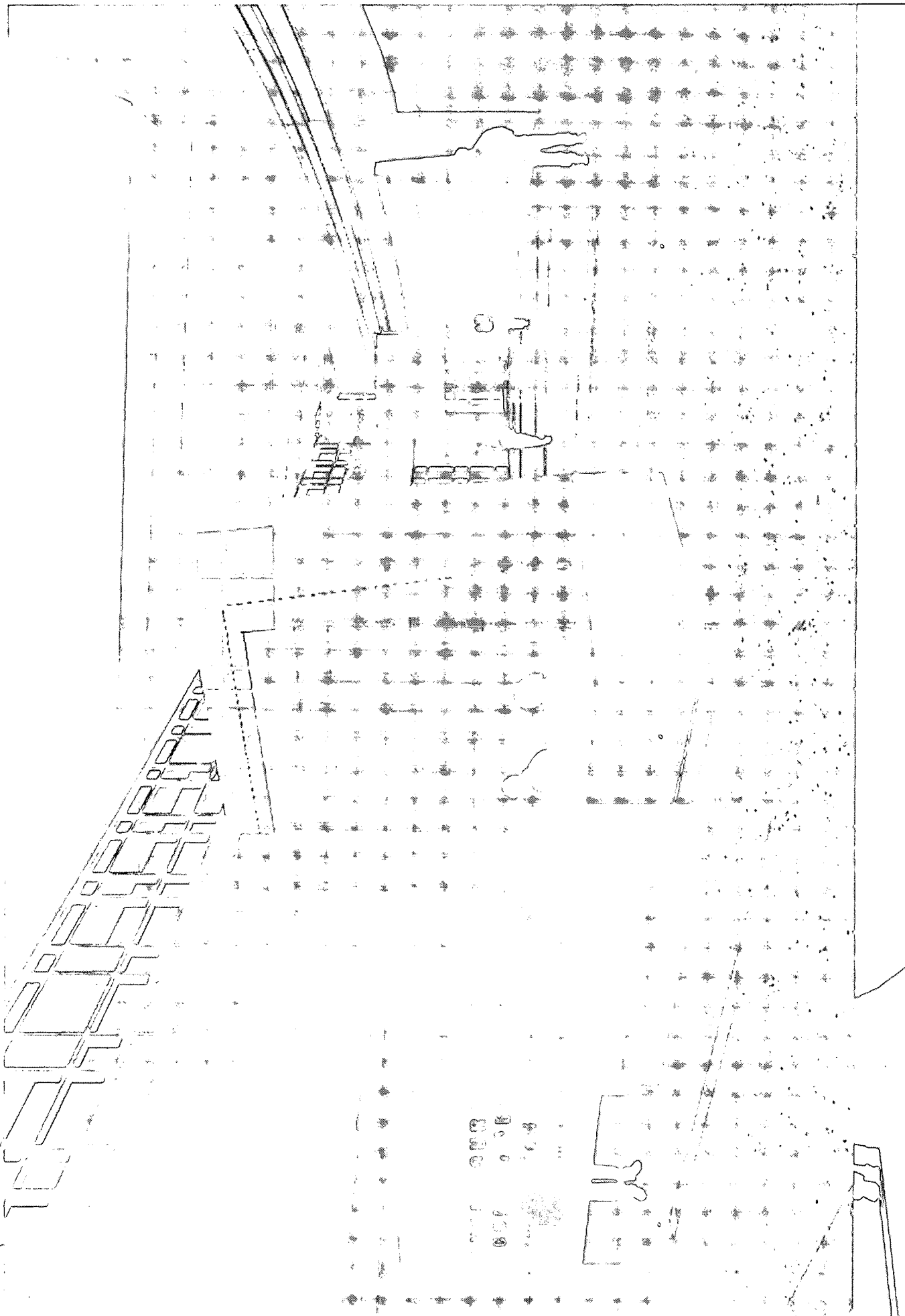
Entrance





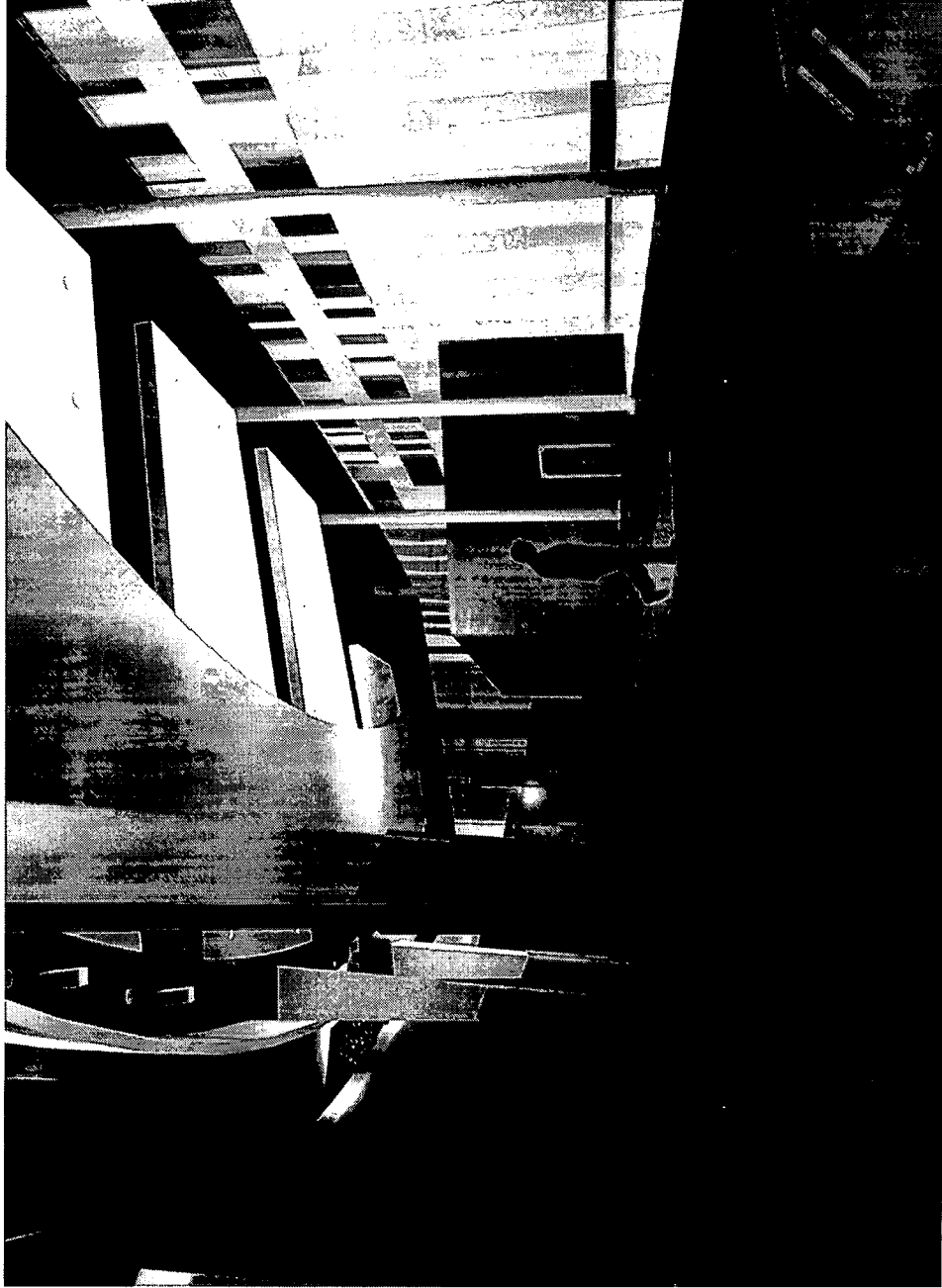
External View



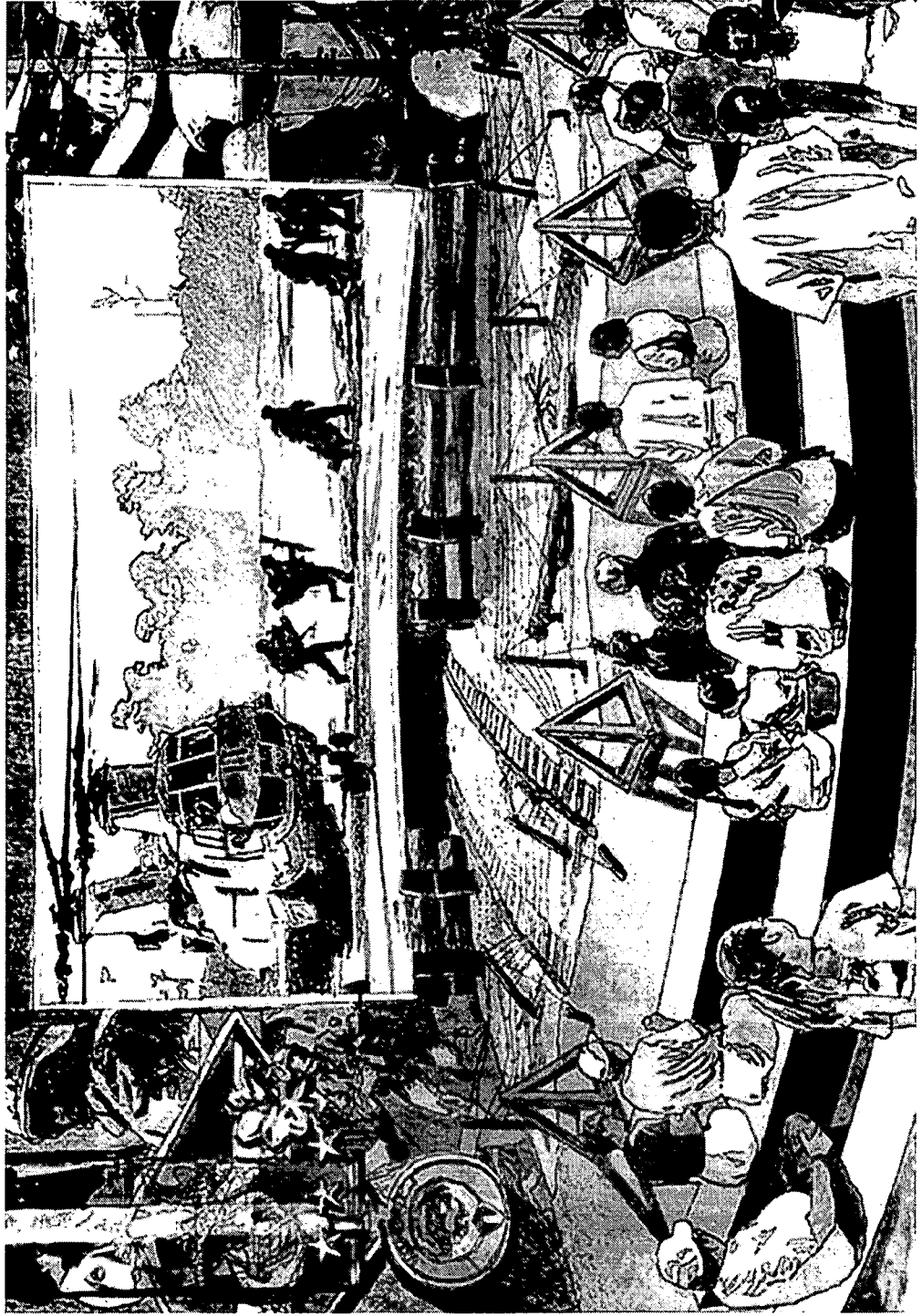


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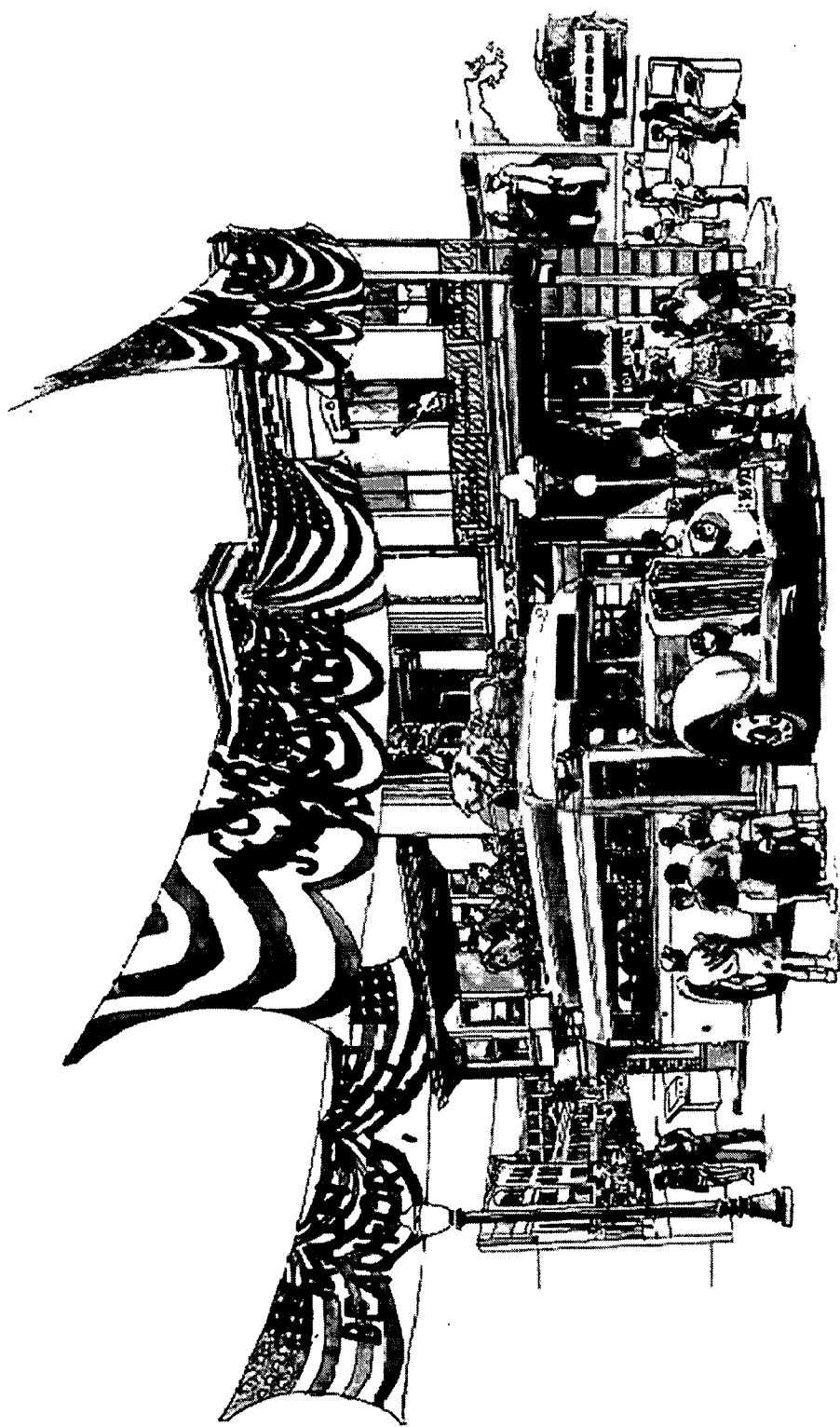
Great Hall



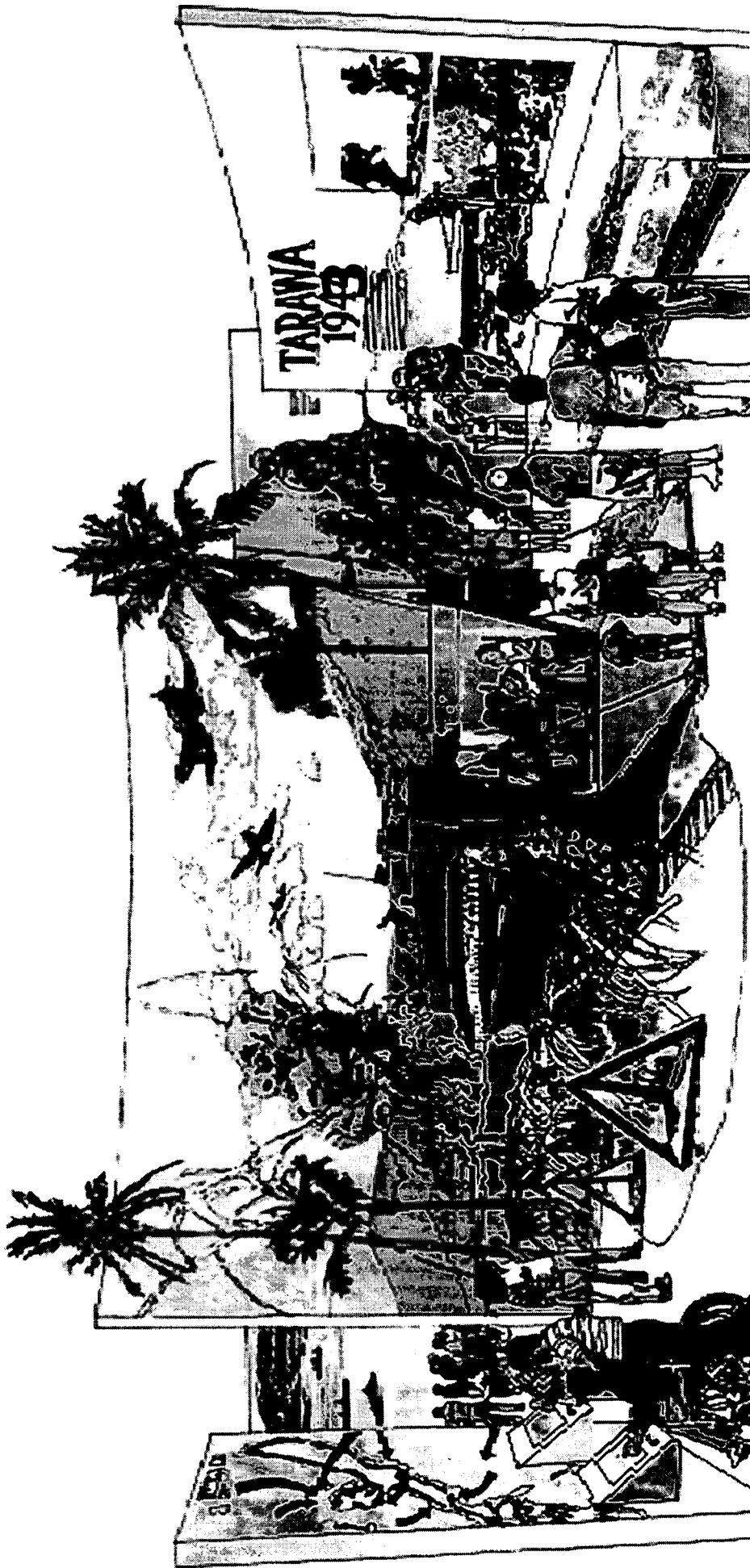
Orientation Theater



Community and Corps Gallery

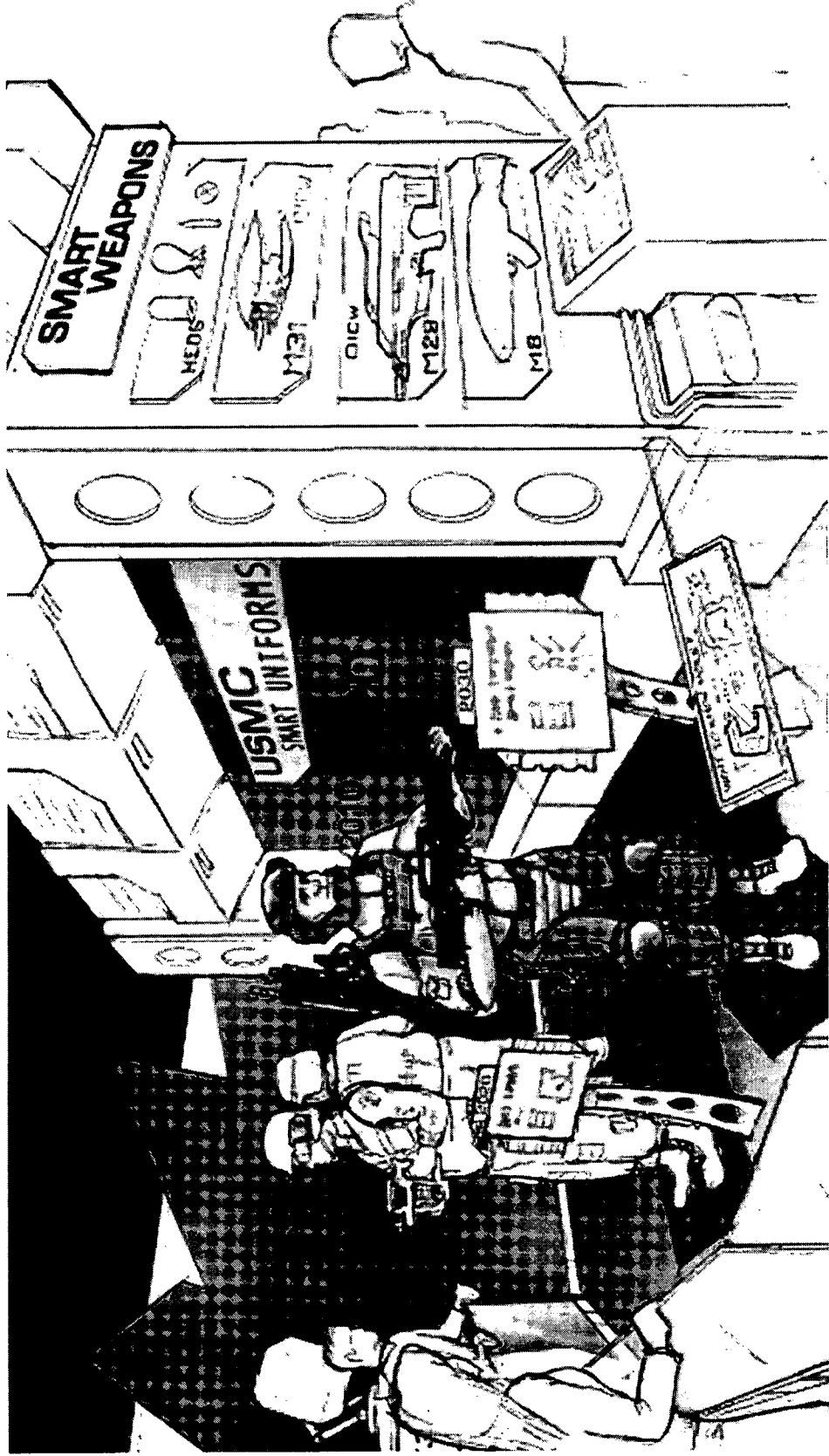


World Warriors Gallery

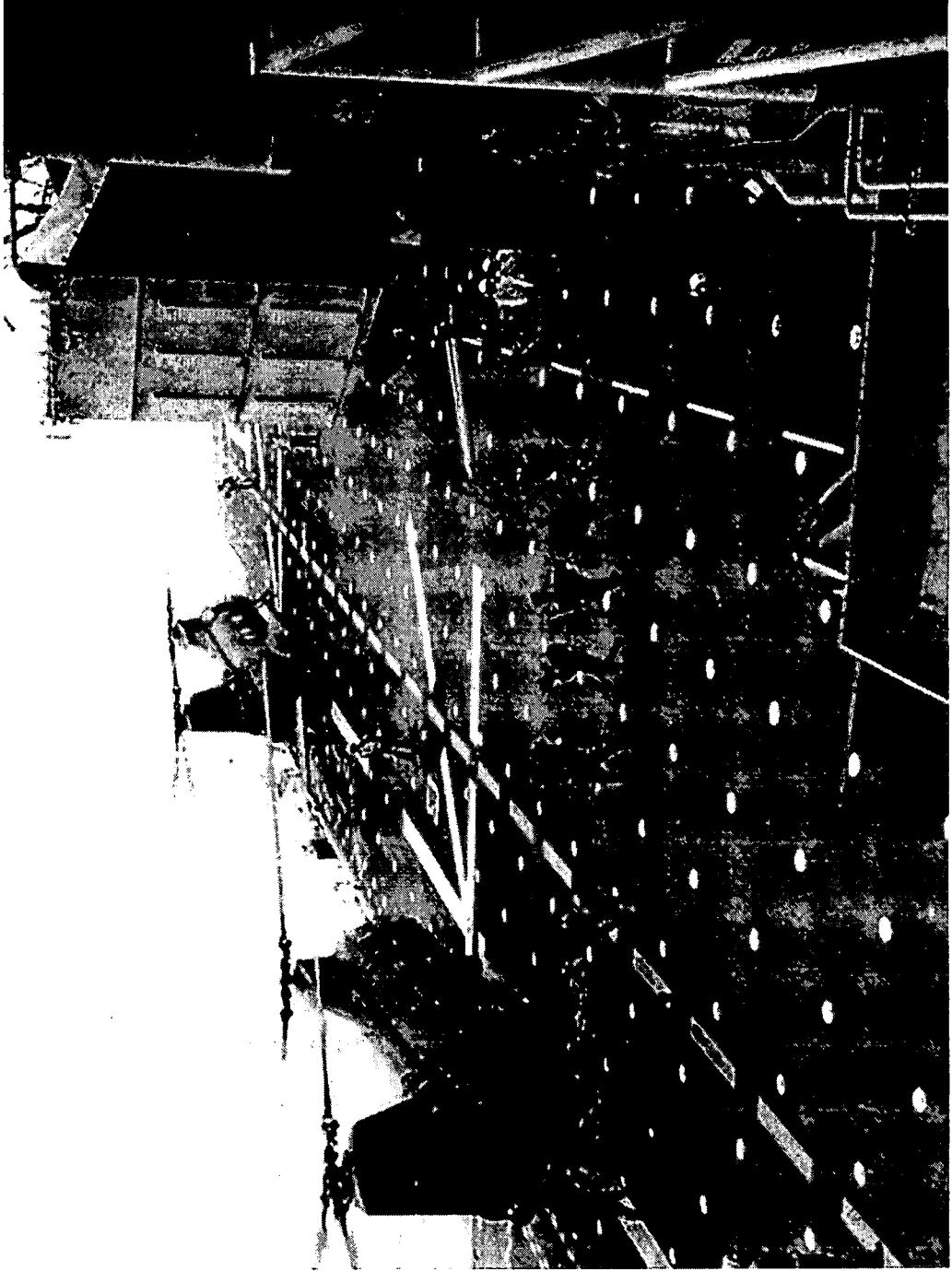


Today Tomorrow and Beyond

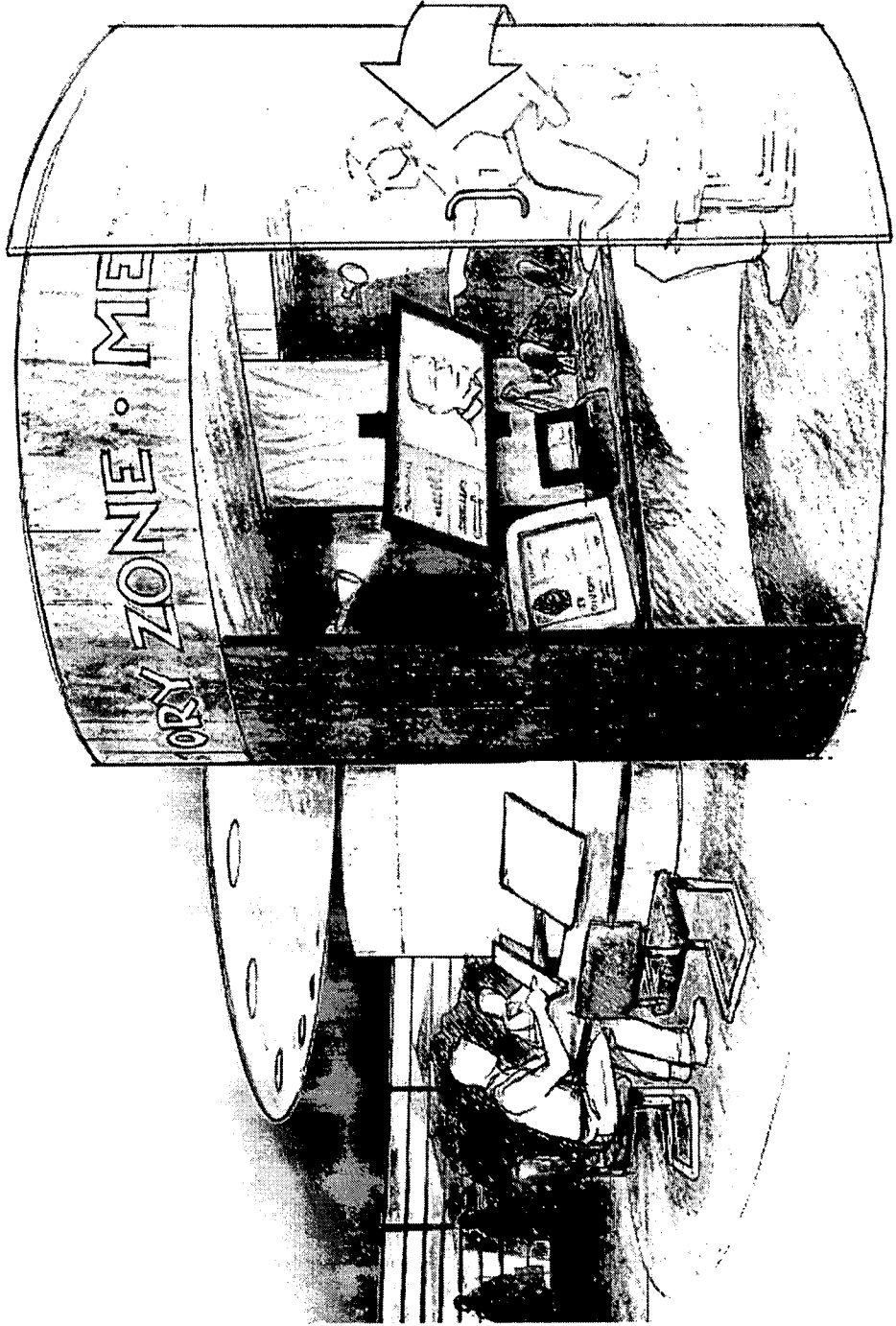
Gallery



Changing Gallery



Memory Zones



Some of the First

- Amphibious Development
- Pre-deployment training of World War II
- The development and refinement of Hellebore Assault Tactics,
- The acceptance and training of the Corps' First African- American Marines'
- The acceptance and training of the Corps' First Women Marines'
- The Training of Reserve Forces
- The training of the first War Dogs
- The refinement of the MV 22 Osprey
- The first Wounded Warrior barracks

Fundraising Target

Total Fundraising Target: \$28M

Bricks & Mortar:	\$12.0M
Design & Exhibits:	\$ 8.0M
Architect:	\$ 2.0M
Endowment:	<u>\$ 6.0M</u>
	\$28.0M

Economic Impact Museum of the Marine

Hunter Interests Inc.

Visitors that will come to Jacksonville

150,000 to 200,000 each year

Hotel Rooms 35,000 - 40,000

Construction 200 Jobs

Museum 15 Jobs

Museum Operations & Wages

\$ 800,000 per yr

Visitors Spending approx 11 Million



Presentation for NC House of Representatives Select Committee on Military Affairs

Michael Archer michael.archer@usmc.mil
Legal Assistance Director, Marine Corps Installations East
February 2012

Why These Issues?

- NC Attorney Gen / CFPB Lejeune Conf Dec 2012
- Important
- Effect on military
- State statutory solutions
- Feasible

Lease termination: SCRA

- Historical evolution
- Current law
 - Pre-service lease
 - Deployment
 - PCS Orders
 - May be waived
 - **No termination rights based on SM death**

Lease Termination: NC Gen Stat 42-45

- PCS Orders
- Prematurely or involuntarily discharged or released
- Deployed
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NC Lemon Law

- NC Gen Stat 20-351 et seq
- Covers new cars sold in NC
- Right to refund/ replace lemons
 - Failure to correct the same defect despite 4 attempts or
 - 20 cumulative days in shop
- Effect on Service members

California Approach

- CA Civil Code section 1790-1795.8
- SM lemon rights regardless of where vehicle purchased
- Applies to any manufacturer doing business in CA
- SM must be assigned to CA at time of purchase or initiation of lawsuit

NC Debt Collection

- NC Gen Stat 75-50 thru 56
- Collection Agencies /Debt collectors
- "Unreasonable publication"
- Consent valid only after default
- Credit application "consent" to contact CO

- ● ●

Auto Finance: The Yo-yo sale

- Bait and switch finance
- “Your financing fell through”
- Refusal to refund down payment / return trade in vehicle
- Auto dealers:
 - Conditional sales = consumer convenience

Approaches to Yo-Yo

- Do nothing
- Unwind the sale
 - Conspicuous disclosures: unwind, return, refund
 - Time deadlines
- “A deal’s a deal.” No conditional sales.

Secretary of State Corporations Listings

- <http://www.secretary.state.nc.us/corporations/>
- Storefront name v registered name
- Issues:
 - Is this a new company?
 - AFD CB Implications

Forced Arbitration

- Trial v Arbitration
- Class Action
- Dealer exemption
- Arbitrator bias
- National Arbitration Foundation (NAF)
 - Public Citizen report
 - Minnesota lawsuit and settlement



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10

Forced Arbitration

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11

Early Lease Termination

Both Federal and State law have long recognized the need to allow service members to terminate their residential lease when necessary to execute military duties. Further, both North Carolina and federal statutes on this topic have evolved over the years to expand such rights, in recognition of the intense demands of military service.

The Servicemember Civil Relief Act (SCRA) 50 U.S. Code Appendix 501 et seq, provides a broad array of protections for military service members and their dependents. Section 535 thereof addresses the termination of residential and motor vehicle leases. In its original form, this provision authorized early lease termination only for *pre-service leases*. A service member who entered into a residential lease and who thereafter deployed or was ordered to a distant duty station had no such protection, a defect that was corrected by a major overhaul of the SCRA enacted in 2003. Still, some landlords attempted to evade the statute by attempting to hold the civilian spouse of the service member liable through the lease term, or by claiming that a letter from the commanding officer (rather than a copy of official orders) was insufficient to comply with notice requirements. Later amendments to the SCRA clarified these issues, eliminating such landlord evasions. The latest amendments to the SCRA, those contained in the Veteran's Benefits Act (VBA) of 2010, prohibit any early termination charges or fees, thus closing another possible loophole for landlords. The VBA also provided a specific statutory basis for aggrieved persons to maintain a civil suit for SCRA violations and for the United States to pursue civil damages and penalties against violators. A knowing violation of SCRA section 535 is also a criminal offense, punishable by up to a year imprisonment.

North Carolina General Statute 42-45, in its original form, allowed for early lease termination when a service member (a) was ordered to execute permanent change of station (PCS) orders to a duty station at least 50 miles away from his current duty station, or (b) was prematurely or involuntarily discharged or released from the Armed Forces. Following the lead of the federal law, the statute was later amended to allow for lease termination in the event that the member was deployed for not less than 90 days.

There are subtle, but important differences between the federal and state law, beyond the occasions that give rise to lease termination. The federal protections can be waived by agreement; the state protections cannot be so waived. There are differences in the enforcement. Both statutes provide that a deploying member's obligation to pay rent ends 30 days after the next rental payment after notice is given (e.g. Notice is provided April 1st and the rent is due on April 5th. The obligation to pay rent terminates 30 days after April 5th.) The state statute cuts off the maximum rental period after notice at 45 days, but imposes a set amount of liquidated damages for any tenant who vacates prior to completing nine months of the tenancy.

However, neither the SCRA nor NC Gen Stat 42-45 authorizes early lease termination in the event of the death of the service member. Thus, a member who is ordered to a duty station in California or to deploy to Afghanistan, or who is involuntarily discharged

because of various reasons, can terminate the lease early but a grieving widow whose husband was killed in action has no such right and can be stuck with paying rent through the remainder of the lease term!

Nor does either statute specifically address the issue of lease termination upon retirement. Tenants and military legal assistance attorneys often argue that retirement should be equated with permanent change of station orders, but the statute is by no means clear on this point.

Recommendations:

Amend NC Gen Stat 42-45 to include the death or retirement of the service member as a basis for early lease termination. In the former case, it is the least we can do for a grieving husband or wife whose spouse has died. In both cases, the family has been ordered to the area to perform military service and the death or retirement of the service member ends that service obligation.

Protect landlord from spurious claims by requiring that the notice of termination include a death certificate, military casualty notification, or letter from the commanding officer confirming the death of the tenant. In the case of retirement, orders or official notification to retire, or a letter from the commanding officer confirming such retirement should be included with the notice to quit the tenancy.

Servicemember Civil Relief Act Section 535: Early Lease termination

50 USC Appx § 535

§ 535. Termination of residential or motor vehicle leases

(a) Termination by lessee.

(1) In general. The lessee on a lease described in subsection (b) may, at the lessee's option, terminate the lease at any time after--

(A) the lessee's entry into military service; or

(B) the date of the lessee's military orders described in paragraph (1)(B) or (2)(B) of subsection (b), as the case may be.

(2) Joint leases. A lessee's termination of a lease pursuant to this subsection shall terminate any obligation a dependent of the lessee may have under the lease.

(b) Covered leases. This section applies to the following leases:

(1) Leases of premises. A lease of premises occupied, or intended to be occupied, by a servicemember or a servicemember's dependents for a residential, professional, business, agricultural, or similar purpose if--

(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service; or

(B) the servicemember, while in military service, executes the lease and thereafter receives military orders for a change of permanent station or to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 90 days.

(2) Leases of motor vehicles. A lease of a motor vehicle used, or intended to be used, by a servicemember or a servicemember's dependents for personal or business transportation if--

(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service under a call or order specifying a period of not less than 180 days (or who enters military service under a call or order specifying a period of 180 days or less and who, without a break in service, receives orders extending the period of military service to a period of not less than 180 days); or

(B) the servicemember, while in military service, executes the lease and thereafter receives military orders--

(i) for a change of permanent station--

(I) from a location in the continental United States to a location outside the continental United States; or

(II) from a location in a State outside the continental United States to any location outside that State; or

(ii) to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 180 days.

(c) Manner of termination.

(1) In general. Termination of a lease under subsection (a) is made--

(A) by delivery by the lessee of written notice of such termination, and a copy of the servicemember's military orders, to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee); and

(B) in the case of a lease of a motor vehicle, by return of the motor vehicle by the lessee to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee), not later than 15 days after the date of the delivery of written notice under subparagraph (A).

(2) Delivery of notice. Delivery of notice under paragraph (1)(A) may be accomplished--

(A) by hand delivery;

(B) by private business carrier; or

(C) by placing the written notice in an envelope with sufficient postage and with return receipt requested, and addressed as designated by the lessor (or the lessor's grantee) or to the lessor's agent (or the agent's grantee), and depositing the written notice in the United States mails.

(d) Effective date of lease termination.

(1) Lease of premises. In the case of a lease described in subsection (b)(1) that provides for monthly payment of rent, termination of the lease under subsection (a) is effective 30 days after the first date on which the next rental payment is due and payable after the date on which the notice under subsection (c) is delivered. In the case of any other lease described in subsection (b)(1), termination of the lease under subsection (a) is effective on the last day of the month following the month in which the notice is delivered.

(2) Lease of motor vehicles. In the case of a lease described in subsection (b)(2), termination of the lease under subsection (a) is effective on the day on which the requirements of subsection (c) are met for such termination.

(e) Arrearages and other obligations and liabilities.

(1) Leases of premises. Rent amounts for a lease described in subsection (b)(1) that are unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, summonses, or other obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

(2) Leases of motor vehicles. Lease amounts for a lease described in subsection (b)(2) that are unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, summonses, title and registration fees, or other obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear or use and mileage, that are due and unpaid at the time of termination of the lease shall be paid

by the lessee.

(f) Rent paid in advance. Rents or lease amounts paid in advance for a period after the effective date of the termination of the lease shall be refunded to the lessee by the lessor (or the lessor's assignee or the assignee's agent) within 30 days of the effective date of the termination of the lease.

(g) Relief to lessor. Upon application by the lessor to a court before the termination date provided in the written notice, relief granted by this section to a servicemember may be modified as justice and equity require.

(h) Misdemeanor. Any person who knowingly seizes, holds, or detains the personal effects, security deposit, or other property of a servicemember or a servicemember's dependent who lawfully terminates a lease covered by this section, or who knowingly interferes with the removal of such property from premises covered by such lease, for the purpose of subjecting or attempting to subject any of such property to a claim for rent accruing subsequent to the date of termination of such lease, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

(i) Definitions.

(1) Military orders. The term "military orders", with respect to a servicemember, means official military orders, or any notification, certification, or verification from the servicemember's commanding officer, with respect to the servicemember's current or future military duty status.

(2) CONUS. The term "continental United States" means the 48 contiguous States and the District of Columbia.

§ 42-45. Early termination of rental agreement by military personnel.

(a) Any member of the United States Armed Forces who (i) is required to move pursuant to permanent change of station orders to depart 50 miles or more from the location of the dwelling unit, or (ii) is prematurely or involuntarily discharged or released from active duty with the United States Armed Forces, may terminate his rental agreement for a dwelling unit by providing the landlord with a written notice of termination to be effective on a date stated in the notice that is at least 30 days after the landlord's receipt of the notice. The notice to the landlord must be accompanied by either a copy of the official military orders or a written verification signed by the member's commanding officer.

(a1) Any member of the United States Armed Forces who is deployed with a military unit for a period of not less than 90 days may terminate his rental agreement for a dwelling unit by providing the landlord with a written notice of termination. The notice to the landlord must be accompanied by either a copy of the official military orders or a written verification signed by the member's commanding officer. Termination of a lease pursuant to this subsection is effective 30 days after the first date on which the next rental payment is due or 45 days after the landlord's receipt of the notice, whichever is shorter, and payable after the date on which the notice of termination is delivered.

(a2) Upon termination of a rental agreement under this section, the tenant is liable for the rent due under the rental agreement prorated to the effective date of the termination payable at such time as would have otherwise been required by the terms of the rental agreement. The tenant is not liable for any other rent or damages due to the early termination of the tenancy except the liquidated damages provided in subsection (b) of this section. If a member terminates the rental agreement pursuant to this section 14 or more days prior to occupancy, no damages or penalties of any kind shall be due.

(b) In consideration of early termination of the rental agreement, the tenant is liable to the landlord for liquidated damages provided the tenant has completed less than nine months of the tenancy and the landlord has suffered actual damages due to loss of the tenancy. The liquidated damages shall be in an amount no greater than one month's rent if the tenant has completed less than six months of the tenancy as of the effective date of termination, or one-half of one month's rent if the tenant has completed at least six but less than nine months of the tenancy as of the effective date of termination.

(c) The provisions of this section may not be waived or modified by the agreement of the parties under any circumstances. Nothing in this section shall affect the rights established by G.S. 42-3. (1987, c. 478, s. 1; 2005-445, s. 4.1.)

Lemon Law

The North Carolina New Motor Vehicles Warranty Act (NC Gen Stat 20-351) is very similar to most state lemon laws. If a new vehicle is sufficiently defective that it cannot be made to conform to its express warranties despite a reasonable number of repair attempts, then the manufacturer is obliged to refund the contract price or replace the defective vehicle with a comparable, conforming vehicle, at the option of the buyer. A reasonable number of attempts has occurred if (a) the manufacturer, dealer or their agent is unable to repair the *same* defect despite four attempts or (b) the vehicle was out of service to the consumer for repair of one or more different nonconformities for a cumulative period of 20 or more business days during any 12 month period of the warranty. Consumers may sue auto manufacturers for violation of this statute.

The Act applies only to new cars and only to cars *sold in the state of North Carolina*. Consider therefore the following hypothetical. A soldier is assigned for duty at Fort Sill, Oklahoma where he purchases a new car from a national manufacturer with multiple dealerships in every state. The soldier is then assigned for duty at Fort Bragg in Fayetteville, NC. Unfortunately for him, it turns out that his car is a lemon. Worse, he has no lemon law rights under North Carolina law. Any lemon law rights he has, if any, exist under Oklahoma law. Any lawsuit must be entertained in Oklahoma.

California resolved this problem with special protection of military service members. Effective January 1, 2008, California unanimously amended its Consumer Warranty Act (CA Civil Code section 1790-1795.8) to provide lemon law rights to military service members regardless of the state in which the member made the vehicle purchase, so long as the service member was assigned to duty in California either at the time of the vehicle purchase or at the time of the filing of the lawsuit (see esp section 1795.8). The law applies to every manufacturer who sells consumer goods in the state of California.

North Carolina "Lemon law"

Article 15A.

New Motor Vehicles Warranties Act.

§ 20-351. Purpose.

This Article shall provide State and private remedies against motor vehicle manufacturers for persons injured by new motor vehicles failing to conform to express warranties. (1987, c. 385, s. 1.)

§ 20-351.1. Definitions.

As used in this Article:

- (1) "Consumer" means the purchaser, other than for purposes of resale, or lessee from a commercial lender, lessor, or from a manufacturer or dealer, of a motor vehicle, and any other person entitled by the terms of an express warranty to enforce the obligations of that warranty.
- (2) "Manufacturer" means any person or corporation, resident or nonresident, who manufactures or assembles or imports or distributes new motor vehicles which are sold in the State of North Carolina.
- (3) **"Motor vehicle" includes a motor vehicle as defined in G.S. 20-4.01 that is sold or leased in this State, but does not include "house trailer" as defined in G.S. 20-4.01 or any motor vehicle that weighs more than 10,000 pounds.**
- (4) "New motor vehicle" means a motor vehicle for which a certificate of origin, as required by G.S. 20-52.1 or a similar requirement in another state, has never been supplied to a consumer, or which a manufacturer, its agent, or its authorized dealer states in writing is being sold as a new motor vehicle. (1987, c. 385, s. 1; 1989, c. 43, s. 2; c. 519, s. 2; 2005-436, s. 1.)

§ 20-351.2. Require repairs; when mileage warranty begins to accrue.

(a) Express warranties for a new motor vehicle shall remain in effect at least one year or 12,000 miles. If a new motor vehicle does not conform to all applicable express warranties for a period of one year, or the term of the express warranties, whichever is greater, following the date of original delivery of the motor vehicle to the consumer, and the consumer reports the nonconformity to the manufacturer, its agent, or its authorized dealer during such period, the manufacturer shall make, or arrange to have made, repairs necessary to conform the vehicle to the express warranties, whether or not these repairs are made after the expiration of the applicable warranty period.

(b) Any express warranty for a new motor vehicle expressed in terms of a certain number of miles shall begin to accrue from the mileage on the odometer at the date of original delivery to the consumer. (1987, c. 385; 1989, c. 14.)

§ 20-351.3. Replacement or refund; disclosure requirement.

(a) When the consumer is the purchaser or a person entitled by the terms of the express warranty to enforce the obligations of the warranty, if the manufacturer is unable, after a reasonable number of attempts, to conform the motor vehicle to any express warranty by repairing or correcting, or arranging for the repair or correction of, any defect or condition or series of defects or conditions which substantially impair the value of the motor vehicle to the consumer, and which occurred no later than 24 months or 24,000 miles following original delivery of the vehicle, the manufacturer shall, at the option of the consumer, replace the vehicle with a comparable new motor vehicle or accept return of the vehicle from the consumer and refund to the consumer the following:

- (1) The full contract price including, but not limited to, charges for undercoating, dealer preparation and transportation, and installed options, plus the non-refundable portions of extended warranties and service contracts;
- (2) All collateral charges, including but not limited to, sales tax, license and registration fees, and similar government charges;
- (3) All finance charges incurred by the consumer after he first reports the nonconformity to the manufacturer, its agent, or its authorized dealer; and
- (4) Any incidental damages and monetary consequential damages.

(b) When consumer is a lessee, if the manufacturer is unable, after a reasonable number of attempts, to conform the motor vehicle to any express warranty by repairing or correcting, or arranging for the repair or correction of, any defect or condition or series of defects or conditions which substantially impair the value of the motor vehicle to the consumer, and which occurred no later than 24 months or 24,000 miles following original delivery of the vehicle, the manufacturer shall, at the option of the consumer, replace the vehicle with a comparable new motor vehicle or accept return of the vehicle from the consumer and refund the following:

- (1) To the consumer:
 - a. All sums previously paid by the consumer under the terms of the lease;
 - b. All sums previously paid by the consumer in connection with entering into the lease agreement, including, but not limited to, any capitalized cost reduction, sales tax, license and registration fees, and similar government charges; and
 - c. Any incidental and monetary consequential damages.

- (2) To the lessor, a full refund of the lease price, plus an additional amount equal to five percent (5%) of the lease price, less eighty-five percent (85%) of the amount actually paid by the consumer to the lessor pursuant to the lease. The lease price means the actual purchase cost of the vehicle to the lessor.

In the case of a refund, the leased vehicle shall be returned to the manufacturer and the consumer's written lease shall be terminated by the lessor without any penalty to the consumer. The lessor shall transfer title of the motor vehicle to the manufacturer as necessary to effectuate the consumer's rights pursuant to this Article, whether the consumer chooses vehicle replacement or refund.

(c) Refunds shall be made to the consumer, lessor, and any lienholders as their interests may appear. The refund to the consumer shall be reduced by a reasonable allowance for the consumer's use of the vehicle. A reasonable allowance for use is calculated from the number of miles used by the consumer up to the date of the third attempt to repair the same nonconformity which is the subject of the claim, or the twentieth cumulative business day when the vehicle is out of service by reason of repair of one or more nonconformities, whichever occurs first. The number of miles used by the consumer is multiplied by the purchase price of the vehicle or the lessor's actual lease price, and divided by 120,000.

(d) If a manufacturer, its agent, or its authorized dealer resells a motor vehicle that was returned pursuant to this Article or any other State's applicable law, regardless of whether there was any judicial determination that the motor vehicle had any defect or that it failed to conform to all express warranties, the manufacturer, its agent, or its authorized dealer shall disclose to the subsequent purchaser prior to the sale:

- (1) That the motor vehicle was returned pursuant to this Article or pursuant to the applicable law of any other State; and
- (2) The defect or condition or series of defects or conditions which substantially impaired the value of the motor vehicle to the consumer.

Any subsequent purchaser who purchases the motor vehicle for resale with notice of the return, shall make the required disclosures to any person to whom he resells the motor vehicle. (1987, c. 385, s. 1; 1989, c. 43, s. 1; c. 519, s. 1; 2005-436, s. 2.)

§ 20-351.4. Affirmative defenses.

It is an affirmative defense to any claim under this Article that an alleged nonconformity or series of nonconformities are the result of abuse, neglect, odometer tampering by the consumer or unauthorized modifications or alterations of a motor vehicle. (1987, c. 385.)

§ 20-351.5. Presumption.

(a) It is presumed that a reasonable number of attempts have been undertaken to conform a motor vehicle to the applicable express warranties if:

- (1) The same nonconformity has been presented for repair to the manufacturer, its agent, or its authorized dealer four or more times but the same nonconformity continues to exist; or
- (2) The vehicle was out of service to the consumer during or while awaiting repair of the nonconformity or a series of nonconformities for a cumulative total of 20 or more business days during any 12-month period of the warranty,

provided that the consumer has notified the manufacturer directly in writing of the existence of the nonconformity or series of nonconformities and allowed the manufacturer a reasonable period, not to exceed 15 calendar days, in which to correct the nonconformity or series of nonconformities. The manufacturer must clearly and conspicuously disclose to the consumer in the warranty or owners manual that written notification of a nonconformity is required before a consumer may be eligible for a refund or replacement of the vehicle and the manufacturer shall include in the warranty or owners manual the name and address where the written notification may be sent. Provided, further, that notice to the manufacturer shall not be required if the manufacturer fails to make the disclosures provided herein.

(b) The consumer may prove that a defect or condition substantially impairs the value of the motor vehicle to the consumer in a manner other than that set forth in subsection (a) of this section.

(c) The term of an express warranty, the one-year period, and the 20-day period shall be extended by any period of time during which repair services are not available to the consumer because of war, strike, or natural disaster. (1987, c. 385.)

§ 20-351.6. Civil action by the Attorney General.

Whenever, in his opinion, the interests of the public require it, it shall be the duty of the Attorney General upon his ascertaining that any of the provisions of this Article have been violated by the manufacturer to bring a civil action in the name of the State, or any officer or department thereof as provided by law, or in the name of the State on relation of the Attorney General. (1987, c. 385, s. 1.)

§ 20-351.7. Civil action by the consumer.

A consumer injured by reason of any violation of the provisions of this Article may bring a civil action against the manufacturer; provided, however, the consumer has given the manufacturer written notice of his intent to bring an action against the manufacturer at least 10 days prior to filing such suit. Nothing in this section shall prevent a manufacturer from requiring a consumer to utilize an informal settlement procedure prior to litigation if that procedure substantially complies in design and operation with the Magnuson-Moss Warranty Act, 15 USC § 2301 et seq., and regulations promulgated thereunder, and that requirement is written clearly and conspicuously, in the written warranty and any warranty instructions provided to the consumer. (1987, c. 385, s. 1.)

§ 20-351.8. Remedies.

In any action brought under this Article, the court may grant as relief:

- (1) A permanent or temporary injunction or other equitable relief as the court deems just;
- (2) Monetary damages to the injured consumer in the amount fixed by the verdict. Such damages shall be trebled upon a finding that the manufacturer unreasonably refused to comply with G.S. 20-351.2 or G.S. 20-351.3. The jury may consider as damages all items listed for refund under G.S. 20-351.3;
- (3) A reasonable attorney's fee for the attorney of the prevailing party, payable by the losing party, upon a finding by the court that:
 - a. The manufacturer unreasonably failed or refused to fully resolve the matter which constitutes the basis of such action; or
 - b. The party instituting the action knew, or should have known, the action was frivolous and malicious. (1987, c. 385.)

§ 20-351.9. Dealership liability.

No authorized dealer shall be held liable by the manufacturer for any refunds or vehicle replacements in the absence of evidence indicating that dealership repairs have been carried out in a manner substantially inconsistent with the manufacturers' instructions. This Article does not create any cause of action by a consumer against an authorized dealer. (1987, c. 385.)

§ 20-351.10. Preservation of other remedies.

This Article does not limit the rights or remedies which are otherwise available to a consumer under any other law. (1987, c. 385.)

§ 20-351.11. Manufacturer's warranty for State motor vehicles that operate on diesel fuel.

Every new motor vehicle purchased by the State that is designed to operate on diesel fuel shall be covered by an express manufacturer's warranty that allows the use of B-20 fuel, as defined in G.S. 143-58.4. This section does not apply if the intended use, as determined by the agency, of the new motor vehicle requires a type of vehicle for which an express manufacturer's warranty allows the use of B-20 fuel is not available. (2007-420, s. 1.)

§ 20-352. Reserved for future codification purposes.

§ 20-353. Reserved for future codification purposes.

California "Lemon Law" military provisions

CIVIL CODE

SECTION 1790-1795.8

1790. This chapter may be cited as the "Song-Beverly Consumer Warranty Act."

1790.1. Any waiver by the buyer of consumer goods of the provisions of this chapter, except as expressly provided in this chapter, shall be deemed contrary to public policy and shall be unenforceable and void.

1791. As used in this chapter:

(t) "Member of the Armed Forces" means a person on full-time active duty in the Army, Navy, Marine Corps, Air Force, National Guard, or Coast Guard. Full-time active duty shall also include active military service at a military service school designated by law or the Adjutant General of the Military Department concerned.

1795.8. Notwithstanding any other provision of law, this chapter shall apply to a purchase in the United States of a motor vehicle, as defined in paragraph (2) of subdivision (e) of Section 1793.22, with a manufacturer's express warranty by a member of the Armed Forces regardless of in which state his or her motor vehicle is purchased or registered, if both of the following apply:

(a) The member of the Armed Forces purchases a motor vehicle, as defined in paragraph (2) of subdivision (e) of Section 1793.22, with a manufacturer's express warranty from a manufacturer who sells motor vehicles in this state or from an agent or representative of that manufacturer.

(b) The member of the Armed Forces was stationed in or a resident of this state at the time he or she purchased the motor vehicle or at the time he or she filed an action pursuant to this chapter.

Debt Collection: "Consent" to Contact Commander

North Carolina law prohibits debt collection agencies (NC Gen Stat 58-70-01 thru 130) as well as consumer creditors collecting their own debts (NC Gen Stat 75-50 thru 56) from engaging in a variety of abusive practices, including "unreasonable publication;" i.e., the notification of third parties about the debt and alleged default. Such notice can be made only if the consumer provides written consent *after default* (NC Gen Stat 75-53a). Nonetheless, lenders near military installations sometimes insert language into loan applications and finance contracts purporting to convey such consent. The consumer is therefore falsely led to believe that the lender can make such contact (and sometimes the lender actually does contact command personnel concerning the debt).

Recommendation: Amend chapter 75 to specifically prohibit the insertion of such invalid consent into finance documents and loan contracts. Doing so will confirm the illegality such phony consent and its implied threat of contacting the commander.

North Carolina General Statutes 75-50 thru 56: Debt Collection

Article 2.

Prohibited Acts by Debt Collectors.

§ 75-50. Definitions.

The following words and terms as used in this Article shall be construed as follows:

- (1) "Consumer" means any natural person who has incurred a debt or alleged debt for personal, family, household or agricultural purposes.
- (2) "Debt" means any obligation owed or due or alleged to be owed or due from a consumer.
- (3) **"Debt collector" means any person engaging, directly or indirectly, in debt collection from a consumer except those persons subject to the provisions of Article 70, Chapter 58 of the General Statutes. (1977, c. 747, s. 4; 1989, c. 770, s. 15.)**

§ 75-51. Threats and coercion.

No debt collector shall collect or attempt to collect any debt alleged to be due and owing from a consumer by means of any unfair threat, coercion, or attempt to coerce. Such unfair acts include, but are not limited to, the following:

- (1) Using or threatening to use violence or any illegal means to cause harm to the person, reputation or property of any person.
- (2) Falsely accusing or threatening to accuse any person of fraud or any crime, or of any conduct that would tend to cause disgrace, contempt or ridicule.
- (3) Making or threatening to make false accusations to another person, including any credit reporting agency, that a consumer has not paid, or has willfully refused to pay a just debt.
- (4) Threatening to sell or assign, or to refer to another for collection, the debt of the consumer with an attending representation that the result of such sale, assignment or reference would be that the consumer would lose any defense to the debt or would be subjected to harsh, vindictive, or abusive collection attempts.
- (5) Representing that nonpayment of an alleged debt may result in the arrest of any person.
- (6) Representing that nonpayment of an alleged debt may result in the seizure, garnishment, attachment, or sale of any property or wages unless such action is in fact contemplated by the debt collector and permitted by law.
- (7) Threatening to take any action not in fact taken in the usual course of business, unless it can be shown that such threatened

action was actually intended to be taken in the particular case in which the threat was made.

- (8) Threatening to take any action not permitted by law. (1977, c. 747, s. 4.)

§ 75-52. Harassment.

No debt collector shall use any conduct, the natural consequence of which is to oppress, harass, or abuse any person in connection with the attempt to collect any debt. Such unfair acts include, but are not limited to, the following:

- (1) Using profane or obscene language, or language that would ordinarily abuse the typical hearer or reader.
- (2) Placing collect telephone calls or sending collect telegrams unless the caller fully identifies himself and the company he represents.
- (3) Causing a telephone to ring or engaging any person in telephone conversation with such frequency as to be unreasonable or to constitute a harassment to the person under the circumstances or at times known to be times other than normal waking hours of the person.
- (4) Placing telephone calls or attempting to communicate with any person, contrary to his instructions, at his place of employment, unless the debt collector does not have a telephone number where the consumer can be reached during the consumer's nonworking hours. (1977, c. 747, s. 4.)

§ 75-53. Unreasonable publication.

No debt collector shall unreasonably publicize information regarding a consumer's debt. Such unreasonable publication includes, but is not limited to, the following:

- (1) Any communication with any person other than the debtor or his attorney, except:
 - a. With the written permission of the debtor or his attorney given after default;
 - b. To persons employed by the debt collector, to a credit reporting agency, to a person or business employed to collect the debt on behalf of the creditor, or to a person who makes a legitimate request for the information;
 - c. To the spouse (or one who stands in place of the spouse) of the debtor, or to the parent or guardian

of the debtor if the debtor is a minor and lives in the same household with such parent;

d. For the sole purpose of locating the debtor, if no indication of indebtedness is made;

e. Through legal process.

(2) Using any form of communication which ordinarily would be seen or heard by any person other than the consumer that displays or conveys any information about the alleged debt other than the name, address and phone number of the debt collector except as otherwise provided in this Article.

(3) Disclosing any information relating to a consumer's debt by publishing or posting any list of consumers, ~~except for credit reporting purposes and the publication and distribution of otherwise permissible "stop lists" to the point-of-sale locations where credit is extended, or by advertising for sale any claim to enforce payment thereof or in any other manner other than through legal process.~~ (1977, c. 747, s. 4; 1979, c. 910.)

§ 75-54. Deceptive representation.

No debt collector shall collect or attempt to collect a debt or obtain information concerning a consumer by any fraudulent, deceptive or misleading representation. Such representations include, but are not limited to, the following:

- (1) Communicating with the consumer other than in the name (or unique pseudonym) of the debt collector and the person or business on whose behalf the debt collector is acting or to whom the debt is owed.
- (2) Failing to disclose in all communications attempting to collect a debt that the purpose of such communication is to collect a debt.
- (3) Falsely representing that the debt collector has in his possession information or something of value for the consumer.
- (4) Falsely representing the character, extent, or amount of a debt against a consumer or of its status in any legal proceeding; falsely representing that the collector is in any way connected with any agency of the federal, State or local government; or falsely representing the creditor's rights or intentions.
- (5) Using or distributing or selling any written communication which simulates or is falsely represented to be a document authorized, issued, or approved by a court, an official, or any

other legally constituted or authorized authority, or which creates a false impression about its source.

- (6) Falsely representing that an existing obligation of the consumer may be increased by the addition of attorney's fees, investigation fees, service fees, or any other fees or charges.
- (7) Falsely representing the status or true nature of the services rendered by the debt collector or his business. (1977, c. 747, s. 4.)

§ 75-55. Unconscionable means.

No debt collector shall collect or attempt to collect any debt by use of any unconscionable means. Such means include, but are not limited to, the following:

- (1) Seeking or obtaining any written statement or acknowledgment in any form containing an affirmation of any debt by a consumer who has been declared bankrupt, an acknowledgment of any debt barred by the statute of limitations, or a waiver of any legal rights of the debtor without disclosing the nature and consequences of such affirmation or waiver and the fact that the consumer is not legally obligated to make such affirmation or waiver.
- (2) Collecting or attempting to collect from the consumer all or any part of the debt collector's fee or charge for services rendered, collecting or attempting to collect any interest or other charge, fee or expense incidental to the principal debt unless legally entitled to such fee or charge.
- (3) Communicating with a consumer (other than a statement of account used in the normal course of business) whenever the debt collector has been notified by the consumer's attorney that he represents said consumer.
- (4) Bringing suit against the debtor in a county other than that in which the debt was incurred or in which the debtor resides if the distances and amounts involved would make it impractical for the debtor to defend the claim. (1977, c. 747, s. 4.)

§ 75-56. Application.

The specific and general provisions of this Article shall exclusively constitute the unfair or deceptive acts or practices proscribed by G.S. 75-1.1 in the area of commerce regulated by this Article. Notwithstanding the provisions of G.S. 75-15.2 and G.S. 75-16, in private actions or actions instituted by the Attorney General, civil penalties in excess of two thousand dollars (\$2,000) shall not be imposed, nor shall damages be trebled for any violation under this Article. The clear proceeds of civil penalties imposed in actions instituted by the Attorney General shall be remitted to the Civil Penalty and Forfeiture Fund in accordance

with G.S. 115C-457.2. (1977, c. 747, s. 4; 1983, c. 417, s. 1; 1985 (Reg. Sess., 1986), c. 802; 1991, c. 68, s. 1; 1998-215, s. 101.)

§§ 75-57 through 75-79. Reserved for future codification purposes.
e codification purposes.

Yo-yo Sales

One vexing problem concerning the financing of motor vehicles is an abusive tactic called the yo-yo sale. In this scam, the car dealer offers financing to the customer at a satisfactory interest rate, the papers are all signed, and the customer drives off the lot with his new car. However, days later, the dealer calls the customer with the ominous news, "your financing fell through," yanking the customer back to the dealership like a yo-yo on a string.

Financing "falling through" may really mean that the dealer was unable to sell the car note for as much profit as he would like to. Or, it may be that the unscrupulous dealer never intended to finance the car at the low rate agreed upon in the first place, using those favorable rates to lure the customer into signing sales and finance documents, with a view towards yanking him back to trap him into a less favorable sale.

If the customer balks at returning the vehicle he thought was his, he will be advised that failure to return the car will be reported to police as auto theft. The dealer may also point to a provision in the mountain of paperwork that says that the sale was conditioned on the dealer finding adequate financing. (Or in the worst yo-yo cases, there isn't any such contractual condition at all or it may not have been provided to the consumer). This provision making the sale contingent on the dealer finding satisfactory financing may not have been discussed or highlighted during the sale, and the salesman may have told the consumer verbally that the financing was a complete, or a sure thing, or that finalization was a mere formality.

A yo-yo victim who returns to the dealership will be told that he can only finance the vehicle (or some other vehicle) at a much higher rate of interest. If he demands the return of his trade in vehicle and down payment, he may be told that the trade in has been sold and that the down payment is not refundable. The victim will be stranded with no financing and no wheels unless he gives in and purchases a car he doesn't want at an unacceptable interest rate.

The yo-yo scam may be avoided by:

Outlawing the conditional sale. When the consumer signs the papers and drives off the lot, both parties, and not just the consumer, are bound by the contract. A deal's a deal! The dealer must sell the car for the agreed rate whether he can find third party financing or not. This is the most effective measure for the consumer and the approach that consumer advocates tend to favor.

Conspicuous disclosures. Require the dealer to clearly and conspicuously disclose that the sale is conditional, that there is a specific, limited time period in which the dealer can rescind, and that if the dealer is unable to find adequate financing and notifies the consumer to return the car within the specified time, then the deal will be completely unwound, with the buyer receiving back all down payments and fees as well as any trade in.

In various public forums, including the Federal Trade Commission national roundtable discussions on auto finance, dealers and industry advocates argued, contrary to consumer advocates, military representatives, and state attorneys general, against any regulation of the

conditional sale. The advised that such sales are necessary and are also convenient to the customer. Such conditional sales allow the consumer to make the purchase and drive off the lot the same day even though financing may not be finalized. Though credit reports can be obtained within minutes, there may be other information that must be reviewed before extending credit, especially in doubtful cases. In some cases, information on the buyer's credit application may be inaccurate, causing deals which looked good at the time to fall through. These matters may take a day or so to investigate. The large majority of cases, in which the financing is ultimately obtained, should not be held up by a rule that is designed to prevent the unusual, fraudulent sales.

Conversely, consumer advocates argue that financing should occur very quickly in most cases, that consumers would rather walk out the door knowing there were no loose ends (even if they had to come back later), and that the abusive practices of unscrupulous dealers should be curtailed.

Sample regulations / state approaches:

Washington State: RCW 46.70.180 (4). Seller has four days to obtain financing. If he does not, he must tell the consumer that the contract is void, and return any down payment, trade in or other security to the consumer before negotiating a new contract.

North Carolina: NC Gen Stat 20-75.1. Sales conditioned on dealer obtaining financing are specifically authorized. Dealer insurance covers the vehicle until financing is final.

Virginia: VA Code 46.2-1530. Dealer is required to provide conspicuous notice that sale is conditioned on dealer obtaining financing and right to return of down payment and trade in.

Illinois: 815 Illinois Compiled Statutes 505.2C. If any sale conditioned on approval of financing is rejected, seller must return down payment money or goods. Retention of any portion thereof as liquidated damages for wear and tear or as credit investigation fee, or for any other purpose is prohibited.

Michigan: Michigan Compiled Laws 492.112 All essential terms of the installment sales contract must be included in one document. Conditional sales provisions in riders, addenda, buyer's order, etc are not binding.

Secretary of State Corporate Listings

Some of the most problematic businesses target service members and military communities. Specific misfit businesses may be placed off limits by military commanders after evidence establishes misconduct and a hearing is conducted before the Armed Forces Disciplinary Control Board (AFDCB) in accordance with the relevant military order. (Published in the Army as AR 190-24, in the Navy as OpNavInst 1620.2A, in the Air Forces as AFI 31-213, in the Marine Corps as MCO 1620.2D, and in the Coast Guard as ComdtInst 1620.1E).

However, sometimes a problem business folds up, only to be replaced by another business that sells a similar product in a similar manner. Commanders, Inspectors, and Legal Assistance Attorneys turn to the North Carolina Secretary of State web page to determine if the new business is run by the same people as the business previously declared off limits. If so, it is far easier to declare the new entity off limits as well. Inability to establish such ownership/management of the new entity will require a new investigation before designating the new business off limits.

As a practical matter, unless it can be established that the new entity is essentially the alter ego of the owners/managers of the old, discredited entity, many more service members will be victimized before the new entity is invited to show cause why it should not be designated as off limits to military personnel.

The corporation look-up page of the NC Secretary of State does not necessarily electronically file the corporate information under the name the business shows on its storefronts. For example, a consumer may walk down the street and see a store named "ABC Electronics." However, when he looks up "ABC Electronics" on the Secretary of State web page, he may find that there is no listing because the company made its corporate filings under a different name.

It may therefore be difficult to find relevant information on the website. For example, a Commander or Installation Inspector might wish to know that a storefront with the name "ABC Electronics" is in fact "XYZ Consumer Products," that XYZ Consumer Products was previously designated as off limits, or that the directors of XYZ Consumer Products, John and Sally Smith, own other business entities declared off limits by Commanders in several states and were successfully sued for defrauding service members in two states. Unless business information is filed under all of the corporate "street names," such critical information will be more difficult to find.

Inability to obtain, or delays in obtaining this type of information may mean that military and civilian officials are unable to efficiently provide critical information relevant to consumer choice, that additional consumers are victimized, and that redress, if any, must occur through potentially time consuming and expensive individual lawsuits.

Forced Arbitration and Auto Sales

The buyer's right to sue a car dealer in court as an individual or as part of a class to contest anything related to the finance or purchase of automobiles is rapidly disappearing. No matter what the allegation of dealer misconduct, the lawsuit is at great risk of dismissal in favor of an arbitration process that may lack substantial procedural protections and which may be presided over by a biased arbitrator essentially chosen by the corporate litigant.

In most automobile transactions –even when the vehicle is NOT financed – consumers are forced to sign an arbitration “agreement.” If you want to buy a car, you need to sign the “agreement.” Go to the auto dealer down the street and they will have the same requirement.

The agreement will specifically require the consumer:

- To give up right to sue as a member of a class action lawsuit
- To give up jury trial
- To give up the right to trial at all

The conduct of the arbitration may be characterized by lack of any appeal, lack of discovery, lack of any inspection of documents in possession of the opposing party, and closed proceedings. Nor are arbitrators bound by any prior arbitration as precedent.

Car dealers publically laud arbitration as a fair and efficient means of resolving disputes between dealers and consumers. (If so, consumers could and would voluntarily choose it after the dispute arose.) However, when auto manufacturers attempted to impose arbitration on them, the dealers asked for and received a statutory exemption from Congress from forced arbitration. [15 USC 1226(a)(2), enacted 2002]. If a car dealer wants to sue a manufacturer in court, he can do it. Or the parties can voluntarily choose to resolve their disputes through arbitration. However, the manufacturer cannot, as a condition of granting a dealership, require arbitration of disputes.

Arbitrators may have a strong financial incentive to rule in favor of auto dealers, banks, or other large business entities. While John Smith is unlikely to have a second or third case involving arbitration, large corporations that routinely force arbitration on their customers will have a large volume of arbitration business. Thus, arbitrators may be financially motivated to favor big companies as a means of obtaining repeat business. In fact, there is already evidence suggesting that this is the in fact the case.

A Public Citizen Report studying credit card arbitration cases in California found that one arbitration company, National Arbitration Forum (NAF), ruled in favor of credit card companies in 94% of the 19,000 cases they handled, often contrary to the claims of consumers who protested that they were the victims of identity theft and had not incurred the charges for which they were being billed. According to the report, when one arbitrator, a Harvard law professor, ruled in favor of a consumer, he was thereafter removed from all of that company's pending cases. The same study found that the 28 arbitrators who could most reliably be counted on to rule against consumers handled about 90% of the cases. “The Arbitration Trap, How Credit Card

Companies Ensnare Consumers” Public Citizen Congress Watch, Sept 2007. On line at <http://www.citizen.org/documents/ArbitrationTrap.pdf> as of Feb 15, 2012.

On July 14, 2009, the Attorney General of Minnesota filed a lawsuit against NAF, alleging that it held itself out to the public as an independent arbitrator but that a New York hedge fund owned a controlling interest in NAF as well as the three largest credit card debt collectors. Minnesota v NAF, No 27-CV-09-18550 (Mn Dist Ct Jul 14, 2009). Three days after Minnesota filed the lawsuit, NAF agreed to a settlement which, while not requiring it to admit fault, did demand that NAF abandon its credit card dispute resolution business nationwide. (Consent decree, Swanson v NAF, available on line at www.nclc.org/unreported)

On April 27, 2011, in a 5-4 decision, the U.S. Supreme Court decided the case of AT&T v Concepcion (131 S. Ct. 1740; 179 L. Ed. 2d 742) a case which may limit somewhat a state’s ability to reign in some of the abuses of forced arbitration. The facts, in brief, are these: Concepcion sued AT&T as a member of a class of plaintiffs, alleging that AT&T advertised phones as free of charge to consumers who signed up for AT&T’s phone service; however, AT&T charged about \$30 sales tax on these supposedly free phones. AT&T moved to dismiss, based on the clause of the service contract which prohibited class action lawsuits. Under the law of California, the locus of the transaction, such a prohibition of class action lawsuits is unconscionable and unenforceable when it is employed in a contract of adhesion and involves small amounts in dispute. Such contracts, as a practical matter, may insulate wrongdoers from ever being held accountable for their actions, as the individual amount in dispute will not justify a party’s expense and effort in resolving it. The Supreme Court held that California’s law conflicts with the Federal Arbitration Act (9 USC 2) and therefore must give way to it.

The FAA provides that an arbitration agreement “shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract.” Why then did the Supreme Court reject California’s unconscionability doctrine as a ground in law or equity that allows for contract revocation? The majority held, essentially, that California law went too far, that requiring the availability of class action lawsuits to a broad and relatively undefined category of cases interferes with the fundamental purpose of the FAA, which is to ensure that private arbitration agreements are available and enforced in accordance with their terms.

The reasoning of the dissenters is more straightforward. The FAA itself says that arbitration contracts need not be enforced when grounds exist in law or equity for contract revocation. California law provides such grounds in this case; ergo, the contractual bar against class action is unenforceable and the class action lawsuit should go forward.

The Military Lending Act (MLA) prohibits extending credit to service members or their dependents in contracts that require arbitration [10 USC 987(e)(3)]. The MLA gave the Secretary of Defense the authority and obligation to make implementing regulations, including definitions of key terms. That regulation (32 CFR 232) severely limits the applicability of the MLA. The Regulatory definition of “consumer credit” to which the MLA applies is limited to certain payday loans, refund anticipation loans, and car title loans. It specifically excludes auto sales.



NORTH CAROLINA GENERAL ASSEMBLY
Raleigh, North Carolina 27601

3/14/2012

MEMORANDUM

TO: Members, House Select Committee on Military Affairs
FROM: Representative Cook, Co-Chair; Representative Shepard, Co-Chair
SUBJECT: Meeting Notice

DAY	DATE	TIME	ROOM
Monday	March 26, 2012	2:00 P.M.	LOB 414

Parking for non-legislative members of the committee/commission is available in the visitor parking deck #75 located on Salisbury Street across from the Legislative Office Building. Parking is also available in the parking lot across Jones Street from the State Library/Archives. You can view a map of downtown by visiting <http://www.ncleg.net/graphics/downtownmap.pdf>.

If you are unable to attend or have any questions concerning this meeting, please contact Amanda Vuke at cookla@ncleg.net.

cc: Committee Record
Interested Parties



HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

AGENDA

March 26, 2012
Room 414 LOB
2:00 PM

WELCOME AND INTRODUCTION

Rep. Bill Cook, Co-Chair
Rep. Phil Shepard, Co-Chair

- Welcome and Introductions
- Property Tax Exemption for 100% Disabled Veterans
 - Rodney Bizzell, Fiscal Research
- Review of Possible Committee Recommendations to the 2012 General Assembly

Committee Discussion/Staff Instructions

ADJOURN

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs
Name of Committee

03/26/12
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Doug Taggart	Dept. of Public Instruction - Trips to Teachers
K'Vehn Hamden	Campbell School of Law
Keith Karlsson	Campbell School of Law
David Baker	NC DOR
MARY JEMINGS	NC DPS
Doug Kelbrook	NC DPS
Al Ripley	NC Justice Center
John Cooper	Compass NC
Michael S. Archer	USMC Camp Lejeune, NC
Rose Williams	NC DOT
Stephen Souza	Compass NC

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

03/26/12

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Ken Melton	K.M.A.
Anthony S. ...	P. ...
Phil ...	NRK
Apple P. ...	NCPA
Thomas J. Thompson	NCPA
Sally Camera	NC Psychological Assoc
Fred Bonn	Bonn Assoc.
Shawn Mercer	Bass Sox Mercer, Attorneys
John ...	NCADA
Tom ...	NCNG
John Nicholson	Governor's Office

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

03/26/12

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

NAME	FIRM OR AGENCY AND ADDRESS
Tim WIPPERMAN	NC DIVISION OF VETERANS AFFAIRS
Barbara Lamb	Onslow County Schools
Julie Fulton	School Liaison Camp Lejeune, NC USMC
Jamie D. Joyner Livengood	Military Counselor, Wayne County Public Schools
David Schock	Regional School Liaison. USMC
PAUL FRIDAY	Deputy A C/S G-7 MCI EAST
Dean Plunkett	PS
Aubrey Incorvaia	NCDOC
Rosemary Revis	NC DOT
David McGowan	NC Realtor
Alex Miller	KLG

MINUTES

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

Monday, March 26, 2012

2:00 p.m.

LOB 414

The House Select Committee on Military Affairs met on Monday, March 26, 2012 at 2:00 p.m. in room 414 of the Legislative Office Building. Representatives Cook, Shepard, Bell, Cleveland, Horn, Martin, Parfitt, and Sanderson attended.

Representative Cook presided. He welcomed everyone, had the committee members introduce themselves, and recognized the Sergeant-at-Arms. Chair Cook reviewed the agenda and noted there were eight issues that needed to be covered (see 3/26/12 Attachment 1). The minutes from the previous meeting were approved.

DISCUSSION

Motorcycle insurance discount is allowed for individuals who complete a motorcycle safety program through the community college system.

Representative Cleveland thought the base would only issue a permit when the individual took the motorcycle course at a community college. Representative Shepard wondered if there was duplication in law going on. Representative Horn wondered what the insurance companies had to say about this issue. Representative Cook asked if there was anyone who could speak to the issue. He asked if Ms. Vaughn Williams was available. She was not in the room, so the discussion was tabled until she returned.

Lease termination upon the death of a soldier on active duty.

Mike Archer, Legal Assistance, Marine Corps Installations East, was called to speak on this issue. He said there was no coverage - no right to terminate a lease if a military spouse was killed. Representative Cleveland asked if legislation could be prepared for the short session on this issue. He also wondered if the legislation should apply to combat casualties or all casualties that occur to military personnel. Mr. Archer said it should extend beyond combat because they were brought to North Carolina for military duty and their military duty ends whether the death occurs in combat or in a traffic accident.

David McGal with the North Carolina Association of Realtors indicated support for this measure, but requested a 30-day notice out of consideration. Mr. Archer agreed with the 30-day notice. Representative Cleveland said he liked the 30-day notion and made a motion for lease termination upon the death of a soldier on active duty, pending a 30-day notice from the family. Representative Martin seconded the motion. The motion passed.

N.C.'s "Lemon Law" does not cover vehicles sold out of state.

Mike Archer, Legal Assistance, Marine Corps Installations East, was called upon to address the Lemon Law issue. He said this law currently applies only to purchases made in North Carolina. The law does not apply if someone buys a car, moves to North Carolina, and then sees it is a lemon. He suggested North Carolina emulate California's Lemon Law example for service members.

Representative Martin asked if the law would be for jurisdictional purposes. Mr. Archer said it was. Representative Martin said he thought this sounded like a good idea, but asked if it would limit the service members we could help. Mr. Archer couldn't speak to the question directly, but noted that the situation does happen. Representative Martin said it sounded like the law would not solve the problem but that it is a step forward. Mr. Archer concurred.

Representative Shepard asked if this law would bring North Carolina into conflict with other states where the car was purchased. Mr. Archer was not sure if he understood the question, but said he would find out the answer.

Representative Cleveland noted he had problems with the concept. No one should expect North Carolina to solve their problems, instead everyone should take personal responsibility: take the car back to the state it was purchased and resolve the matter there. He is not comfortable with the law Mr. Archer is proposing, particularly since so many corporations bend over backwards nowadays to help consumers. Mr. Archer said reasonable minds might disagree from time to time. Representative Horn said he had a similar concern, but that he was not sure if he fully understood the situation. It sounded like the issue was more with the manufacturing of the car than where it was sold.

Representative Shepard requested to see documentation that this was something that happened frequently. Mr. Archer queried whom he could provide that information to and wondered why a service member would complain to him about that issue. He knows it exists, but may not be able to find proof of frequency. He will provide evidence as it became available.

Representative Martin commented that servicemembers should not have to go back to the place they purchased their vehicle to get things righted if the manufacturer of the car is large enough to be selling in multiple locations and they are not making a good car. The manufacturer should be held accountable - North Carolina can help do that.

John Policastro, North Carolina Automobiles Association, notes this is a manufacturer and consumer issue, not a dealer issue. He believes that North Carolina can already adjudicate the matter if the other state also has a Lemon Law. Representative Cleveland said he would think a local dealer would do his best and tell the manufacturer to replace the lemon. Mr. Castro agreed, noting the dealer often wants to help and assist as much as possible. Representative Martin said Mr. Policastro raised a good point about the Lemon Law.

Chair Cook requested Mr. Fox speak to this issue. Rosemary Reddels from the Department of Justice said that Mr. Fox was out that day, but she was there in his stead. She said that if a complaint comes in then the issue is addressed with the manufacturer. Representative Martin asked who would be acting in the case if the manufacturer was based in New Mexico. Rosemary said North Carolina would. Rep. Shepard asked if this was then already covered under existing law. Rosemary said yes, if a North Carolina resident or if their car was registered in North Carolina. Representative Shepard noted many service members are not North Carolina residents and keep their car registered in their state of residency. Ms. Reddels

said that would be an extenuating circumstance and she did not know the answer to how it would be handled.

Representative Horn said it sounded as if we did not need another law because existing law covers the issue. Mr. Archer said that according to Section 20-35.1 the law only applied to vehicles leased or sold in this state so he did not believe existing law covered the issue at hand. Representative Horn said he thought they needed more information. Chair Cook direct staff to gather more information about this issue.

Auto finance (“yo-yo sales”)

Mr. Archer, Legal Assistance, Marine Corps Installations East, was called on to explain to matter of “yo-yo sales”. He said a “yo-yo” sale is when a company tells an individual they will get interest at a particular rate, but then that interest rate cannot actually be approved. They call them back in and tell them they have to pay a higher interest rate and they will not give back the individual their down payment or their trade-in. He requested the matter be address by saying that a business and a consumer are both bound by the same agreement and that the payment be spelled out as well as noting that if the interest rate is not approved then the customer will get back their money and trade-in.

John Policastro introduced Shawn Mercer. Mr. Mercer, with Bass Sox Mercer, a firm in Raleigh, is a lawyer who frequently works with franchise dealers. He said that the FTC is looking into conditional deliveries, so the state does not need to worry about it. He does not like the term “yo-yo sale” because the conditional delivery is necessary for the consumer because they are not always accurate on their credit application. Existing laws already addresses this issue – if a dealer lies, it is fraud. If a dealer and consumer come to an agreement then if the financing falls through the dealer already has to give back the down payment and return the trade-in if the customer doesn’t want to pay the higher interest rate, so state involvement is not necessary. It already exists as *status quo ante*.

Representative Martin asked how that worked with a trade-in. Mr. Mercer said the trade-in is not supposed to be sold until the deal is finalized. Mr. Archer said the law did address the matter, but the consumers are ignorant so he is proposing it is made easy for consumers to know they are entitled to their down payment and trade-in if the low interest rate falls through. Representative Martin asked if Mr. Mercer and Mr. Archer agreed that the existing law, if enforced, is adequate and that this is solely an information problem. Mr. Archer said he would like to see penalties for the dealers added to law, but generally, yes, he agreed.

Representative Shepard asked Mr. Archer what his responsibility in this matter was. Mr. Archer said that they usually take the issue to the DMV. Representative Martin noted that when someone buys a house they get a *truth in lending* document and that it sounded like something similar might be needed in this situation. Chair Cook agreed.

Representative Parfitt did not understand the issue or the matter of a conditional sale. She said when she bought new cars in the past she walked out of there and the car was hers, she did not realize they could call her back, so she thinks more information is a good idea. Mr. Mercer said that the overwhelming majority of sales go down smoothly and that sometimes the amount financed goes down. It is more difficult now because of the economic times. Representative Parfitt asked if she had participated in a conditional sale without realizing it. Mr. Mercer said that conditional sales are a separate deal so she likely did not.

Chair Cook said he guessed the lower the credit score, the longer it takes and the less likely it is for approval to come through. Mr. Mercer confirmed this. Representative Shepard said there is already a lot of paperwork and he thought that in there the rights were already written out. Mr. Mercer said that was the case. Representative Shepard noted that, like him, most people just didn't bother to read it. Mr. Archer said that a consumer would be looking awhile to find information that said you get the trade-in back, the down payment back if things fell through. Chair Cook asked if the information was already in there. Mr. Archer said it was not.

Representative Parfitt said she thinks the rights need to be spelled out clearly. Representative Cleveland asked if on the conditional sale document it spelled out what you got back if the sale fell through. Mr. Mercer said it did; Mr. Archer disagreed. Representative Martin said that the committee needed to equip service members to make good decisions. These kinds of sales happened a lot in his experience. Representative Horn said he was sure there are people who needed help with this. Chair Cook asked if the sense of the committee was promulgating existing legislation into everyday language exactly what the rights are. Representative Martin said yes, additionally he requested staff consult with consumer protection to get their experience on the matter integrated. Representative Cleveland noted he believes the committee is wasting their time because the consumer is not going to read the information, just listen to what the salesperson says and buy.

Representative Shepard said he felt they should do something but that personal responsibility is needed, so he agreed with Representative Cleveland. Representative Martin motioned that staff draw up legislation reflecting existing rights, including the attorney general's office in the issue. Representative Parfitt seconds. Two voted "no," but the motion carries.

Through a waiver provision in a credit contract, debt collectors obtain the right to contact a service member's C.O. after default.

Mr. Archer, Legal Assistance, Marine Corps Installations East, was called on to speak to this issue. He said that in a loan application to a service member the member is asked to give permission to call his superiors if he defaults. This is invalid under North Carolina law so its only purpose is to threaten members. We should not allow this permission to be given prior to a default.

Tom Boylin with the NC Guard noted that under Article 134 the debt collector has the right to contact a C.O. Mr. Archer said he was correct in the case of dishonorable avoidance, in which case it is a criminal offense, but he has never seen this case come up because it is so difficult to prove dishonorable intent.

Representative Shepard asked if this situation would be comparable to a debt collector asking ahead of time for permission to call the officer upon default. If so then it seems like an implied threat and that is not supposed to happen and needs to stop. Representative Martin said he thought the current law was adequate but that it was not being followed. Mr. Archer agreed with Representative Martin. Representative Martin queried if service members are signing waivers that are invalid under existing law. Mr. Archer answered affirmatively.

Representative Martin asked if it is illegal for someone to sign the waiver or just to follow through with using the waiver. Mr. Archer said the Attorney General informally said this could not be done, but legislation would make this clearer. Chair Cook asked if clarifying legislation was what Mr. Archer was requesting. Mr. Archer said it was.

Representative Cleveland noted that the committee was trying to play Big Brother again. Article 134 does allow this and the Attorney General has given an opinion that it is illegal. Let them bring it to court if they feel that way. This kind of scenario is simply a part of the growing up process. Representative Horn interjected that no one will give permission for “daddy” to be called after the fact. Representative Parfitt added that if being Big Brother is a concern then we should not have this kind of situation at all. If the government can’t be Big Brother, why can the creditors, she asked.

Representative Cleveland points out that the commanding officer usually just tells the people it is their problem. The idea is to put pressure on the individual. Very few complaints make it up to the commanding officer. It is still between the individual and the person of contract. Representative Parfitt said that we are giving them permission to call so we need to be involved. Representative Shepard asked if the Attorney General would like to comment on the situation.

Mrs. Rosemary said she was not sure that the legislature was giving collectors permission to call. Mr. Archer said that 134 is not relevant and we are not giving them permission. Representative Martin noted he was uncomfortable extending more protection, but he would appreciate clarification from staff on what is illegal now under current law and making sure current law is enforced. He asked if it was illegal for a borrower to give permission up front. Chair Cook directs staff to do as Representative Martin requested.

Motorcycle insurance discount is allowed for individuals who complete a motorcycle safety program through the community college system.

Rose Vaughn Williams, Legislative Counsel with the Insurance Department, was called up to say if a discount could be given for motorcyclists that complete a safety course through the community college system. She said that if companies want to offer such a discount it would be approved, and she noted that companies give out various discounts all the time. This is a product and word needs to get to the companies that this kind of discount is wanted, she said. Representative Cleveland asked if military bases offer this kind of program or if they use the community colleges. Chair Cook directed staff to look into the matter.

Insufficient school counselors in school districts with military personnel.

Julie Fulton, School Liaison Officer for the Marine Corps, Camp LeJeune, was called to talk about this issue. She introduced Bobbie Rob (Military Counselor, Onslow County) and Jamie Livengood (Military Counselor, Wayne County). Ms. Fulton noted that there are extreme needs for military children and so she is asking for additional help from the state – they have a limited staff and any help would be appreciated. Representative Parfitt said she supported their work and helping any way the state can. She said constituents contact her telling her this is a big problem. Representative Cleveland asked who the employees are. Ms. Fulton said DPI funds enough for one counselor in each of the approved counties.

Representative Shepard commented that it seemed counselors should be appropriated equitably based off number of military children. Representative Cleveland asked if there was one counselor a county for all of the children. Ms. Fulton said no, just all of the military children. Representative Cleveland followed up asking if the counselors she mentioned were not school counselors, but personal counselors for personal problems. Ms. Fulton affirmed this.

Representative Cleveland asked what the federal government is doing about this. Ms. Fulton said the federal government hired her. She added that there are 30,000 active duty military schoolchildren in the state, and 4 counselors, which is the most any state provides. Representative Shepard asked if these figures were only reflective of what was provided by the public school, and not those who are on base. Ms. Fulton said that was the case. She added that they applied for a 3-year grant and received it; the grant runs out this year.

Representative Bell said he knows that there are already counselors in schools, but wonders if they can be trained to help – wonders if they know what military kids have to deal with. Ms. Fulton said that training has started to be tracked, but they don't know right now, how many counselors have been trained in this area, but they are trying to educate people.

Representative Sanderson asked if the federal government would be sharing any of the proposed cost. Mr. Shock, Regional School Liaison for the Marine Corps, said that no, this is North Carolina driven, he does not know of another state that works so closely with the military. Representative Horn asked if the federal government would give any more help. Ms. Fulton said there continues to be grants, but they do not know if they will receive the grants for which they have applied. Representative Horn asked if we received it before why we wouldn't receive the grant again. Ms. Fulton replied the grants were extremely competitive.

Representative Sanderson asked if there were a particular number of counselors requested. Ms. Fulton said she would request counselors based on student population ratio. Mr. Shock said that even one additional counselor would be appreciated, but he would love to see 4-5,000 students a counselor. Ms. Livengood said she had the least amount of students of any of the counselors but it was still hard work and they were working to train schools and families to meet on a regular basis.

Representative Martin thinks the program is wonderful and that assistance should be provided. Ms. Fulton said the cost provided to the committee for a counselor includes salary and benefits. Chair Cook said he would like to see a bill crafted but it would need to go to appropriations. Representative Shepard motioned staff draft a bill consistent with the suggested allocation based on the student population. Representative Parfitt seconds the motion.

Representative Cleveland asked if there was local LEA support. Ms. Fulton said no. Representative Cleveland expressed his concern that that LEAs get money from the counties so, as he is a budget chair, he's afraid it won't get funding as they don't have the money to give DPI so DPI may try to shift this to the county. The motion carries.

Certified counselors for autistic children must be supervised by licensed and certified psychologists.

Sally Cameron, Executive Director of the North Carolina Psychological Association, said they support treatment for children and adults. They did not support the initial version of the bill because they did not see a precedent where professionals in a similar capacity were not regulated by North Carolina. She noted they worked with a sponsor of the bill, they have a version of the bill they like, and they want to work with the community on this. Representative Shepard told the committee that those in support of this measure could not make the meeting today.

Representative Parfitt asked where the committee wants to go with the bill and wondered if there was movement toward a compromise. Representative Cleveland said everyone needs to wait until the long session so we can get resolution.

Dr. Tom Thompson, psychologist, said they helped an alternate bill and they hope the committee will look at it and that it would be passed as soon as possible. Representative Parfitt asked if something could be done about this in the short session. Ms. Cameron said they were working toward the long session. Representative Shepard asked staff if North Carolina was the only state with this licensing requirement. Ms. Cameron said there was more than just North Carolina.

Staff said that 29 states require insurance carriers to deliver autism services to children. North Carolina does not mandate that. Pennsylvania and Arizona have separate licensing bodies. In Connecticut, it is criminal not to have the appropriate credentials. In Florida, there is an exemption. North Carolina is looking at the exemption and does not know if that is the worked-out compromise, as they do not have access to the alternate bill. Chair Cook directed staff to follow up with this matter.

Property Tax Exemption

Rodney Bezzell, Fiscal Research Division, presented on this matter. His remarks can be found as 3/26/12 Attachment 2.

Chair Cook noted that the last changes were done in 2008. The 2008 changes expanded costs substantially, as it increased cost from \$38,000 to \$45,000 as the qualifications were changed from having to participate in a federal program to opening up the qualifications some. This would only cost about \$10,000 more dollars to open it up to 100% disabled veterans. If the cost is increased from \$45,000 to \$65,000, it would cost about \$2-3 million, but that would not be a uniform figure. The average is probably \$17-18,000 a county, but there's not a real average as some counties disproportionately have veterans living there, like Cumberland County. Chair Cook further noted that he understood a bill like this one came up a couple of years ago, and it did not go anywhere. He asked why that was.

Mr. Bezzell said it was likely because the counties were already strapped for cash.

Representative Horn asked if the proposal was simply to raise the cap on disability and not expand eligibility in any way. Mr. Bezzell confirmed this. Representative Cleveland said the benefit given was raised substantially a few years ago. He believed that cost several hundred million dollars – a lot of money. His county is not in shape to take this hit; he assumes other counties are in the same position. He believes that until we have a surplus of cash, this needs to be on the back burner.

Chair Cook suggested the General Assembly authorize the counties to offer this discount if they wanted to. Representative Shepard said he thinks the proposal is honorable, but the commissioners are always telling him not to take any money away or pass something to them that the General Assembly is not funding.

Representative Parfitt appreciates the thought and agrees with Representative Cleveland – we have to consider everything and she does not see where the money is going to come from. Representative Horn said he thinks the counties should look at this and have a voice. Representative Martin agrees the counties should be brought into the discussion.

Chair Cook proposed making it optional for the counties to offer this. Representative Bell said he thought they already had that authority. Chair Cook noted the counties needed the permission of the General Assembly to do anything like what was proposed. Staff noted that property tax exemptions must be uniform, according the constitution, so counties could not opt in and out of this.

Representative Sanderson wondered the effect this would have on true cost, since it is reliant on property evaluation, and others may apply for this who didn't apply for relief earlier. Mr. Bezzell said both should be considerations. Representative Sanderson said he agreed it was a great idea, but that this is not the right time to implement it. He added that he would like to see the rate of tax break reflect the rate of disability, like Utah. Timothy Wipperman, Assistant Secretary for Veterans Affairs noted that Utah is the only state currently doing so.

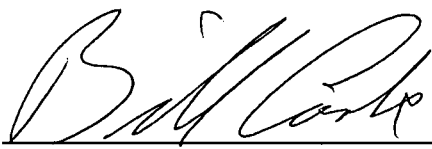
Chair Cook said he was hearing counties could not afford to do this, and neither can the state. He asked if the committee wanted to table this. Representative Cleveland said yes. Representative Shepard asked what was meant by 100% disabled, as he knows people labeled that who can still work normal jobs. Mr. Wipperman said that the federal government has pages and pages of criteria that determine disability. Individually unemployable is entirely separate.

Representative Martin suggested that this idea be passed now with a recommendation for delayed implementation. Representative Parfitt motioned for tabling the matter; Representative Cleveland seconded. The motion was approved.

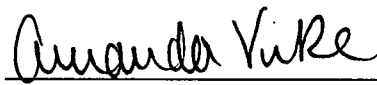
Representative Horn noted the moving wall would be in Union County June 14-18 and that it is the first time a county has hosted the wall twice in such a short period. Invited all to come out and view it.

Representative Martin motioned for adjournment. Representative Cleveland seconded. The meeting was adjourned.

Documents available for the committees' reference are available as 03/26/12 Attachment 3.



Representative Bill Cook, Co- Chair, Presiding
Representative Phil Shepard, Co-Chair



Amanda Vuke, Co-Clerk
Pamela Pate, Co-Clerk

Amendment 1

3/26/12 Attachment 1

3/26/12 Attachment 1

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

ISSUE	POSSIBLE RECOMMENDATION(S)	CHANGES REQUIRED	MISC.
Lease termination upon the death of a soldier on active duty.	In addition to allowing lease termination upon deployment or receipt of permanent change of station orders, allow lease to be terminated upon the death of a soldier.	<ul style="list-style-type: none"> Amend G.S. 42-45 to include the death of the servicemember as a condition that allows for lease termination. 	✓
N.C.'s "Lemon Law" does not cover vehicles sold out of state.	Allow a servicemember to bring a claim in the jurisdiction where s/he resides or is assigned, regardless of where the vehicle was purchased.	<ul style="list-style-type: none"> Make conforming change to G.S. 20-351 	<ul style="list-style-type: none"> Manguson-Moss Act California approach <p><i>Feb 10</i></p>
Through a waiver provision in a credit contract, debt collectors obtain the right to contact a servicemember's C.O. after default.	Provide that the no-contact provision cannot be waived at the time the contract is entered. <ul style="list-style-type: none"> Applies to all contracts, including leases? Limit to autos? Limit to military personnel only? 	<ul style="list-style-type: none"> Amendments to G.S. Chapter 75 	
Auto finance ("yo-yo sales")	<ul style="list-style-type: none"> Prohibit conditional sales. Driver and dealer are bound at time contract is entered. Require conspicuous statement that sale is conditional; give customer unqualified right to return vehicle with all down payments returned. (See Washington, Virginia, Illinois statutes) 	<ul style="list-style-type: none"> Make conforming change to G.S. Chapter 20 (current law is G.S. 20-75.1). 	<p>Problems occur where a dealer offers attractive financing, papers are signed, vehicle is traded, and customer drives off lot. Customer is later notified that financing fell through, and is threatened with being charged with theft for failure to return the vehicle. Customer is then required to sign a contract at a higher interest rate than originally bargained for.</p> <p>✓</p>

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<p>Insufficient school counselors in school districts with military personnel.</p>	<ul style="list-style-type: none"> Encourage General Assembly to provide funding for more counselors. Require apportionment of school counselors by population. Allocate the number of school counselors based proportionately on the military ADM in the district. 	<p>Appropriations provision.</p>	<p>Query to Fiscal: What evidence is there that more are needed, or that additional counselors would improve outcomes?</p>
<p>Certified counselors for autistic children must be supervised by licensed and certified psychologists.</p>	<ul style="list-style-type: none"> Eliminate this supervision requirement. Establish the Behavior Analysis Practice Act. 	<p>Add a new section to G.S. Chapter 90, the N.C. Psychology Practice Act.</p>	<p>Note that H487 was introduced in 2011, but did not cross over to the Senate and is not currently eligible for consideration.</p>
<p>Property tax exemption.</p>	<p>Increase the property tax exemption for totally disabled veterans from the first \$45,000 of valuation to the first \$65,000.</p>	<p>Amend § 105-277.1C - Disabled Veteran property tax homestead exclusion</p>	<p>The costs of this increase would affect municipal and county governments statewide in varying amounts.</p>
<p>Motorcycle insurance discount is allowed for individuals who complete a motorcycle safety program through the community college system.</p>	<p>Allow a motorcycle insurance discount for those who complete a comparable motorcycle safety program provided by federally-certified instructors for members of the military.</p>	<p>Amend G.S. 58-36-65(m)</p>	<p>tabled</p>

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**Disabled Veterans
Property Tax Exemption**


Rodney Bizzell
Fiscal Research Division
House Select Committee on Military Affairs
March 26, 2012

 **FISCAL RESEARCH DIVISION**
A Staff Agency of the Vermont Taxpayers' General Assembly

**Disabled Veterans
Property Tax Exemption**

Overview


- Current Exemption and History
- Other Property Tax Benefits Available
- Cost of Increasing the Current Exemption
- County-specific Data

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**Current Property Tax Exemption for
Disabled Veterans**

- Exempts from property tax the first \$45,000 in assessed value of a permanent residence owned by a disabled veteran or the unmarried surviving spouse of a disabled veteran.
- No age requirement.
- Permanent residence includes the dwelling and dwelling site, not to exceed 1 acre.

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Property Tax Exemption for Disabled Veterans: Qualifications

- Property owner must be an eligible disabled veteran or is the unmarried surviving spouse.
- The disabled veteran must meet either of two criteria
 - 38 USC Sec. 2101 Benefits
 - Service-connected, permanent and total disability (certified by the Dept of Veterans Affairs or another federal agency).

FISCAL RESEARCH DIVISION 3

History of Exclusion

- Current exclusion effective for tax years beginning on or after July 1, 2009.
- Prior to this change, the first \$38,000 in the value of the permanent residence was excluded for disabled veterans eligible for housing modifications under 38 USC Sec 2101.
- Cost is incurred by local governments.

FISCAL RESEARCH DIVISION 4

Other Property Tax Benefits

Disabled Veterans qualify for two other property tax relief programs. A taxpayer may not participate in more than one program.

- Elderly and Disabled Homestead Exclusion
 - \$25,000 or 50% → *whichever is greater*
 - Income limit of \$27,100 for 2011.
- Homestead Circuit Breaker
 - Allows eligible homeowners to defer property taxes that exceed 4% or 5% of income (depending on income eligibility).

FISCAL RESEARCH DIVISION 5

Cost of Increasing Exemption

- Increase Exclusion from \$45,000 to \$65,000
- Based on information from NC Dept of Revenue, \$603 million in value was excluded in 2011.
- Approximately 13,500 taxpayers.
- Increasing the value of the exclusion by \$20,000 would reduce local revenues by approximately \$2.5 - \$3 million.

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Cost by County

County	2011 Cost of Increase to \$65,000 Exclusion
Cumberland	\$325,900
Harnett	\$116,600
Onslow	\$111,912
Mecklenburg	\$58,161
Guilford	\$57,885
Forsyth	\$47,239
Wake	\$45,986

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Disabled Veterans Property Tax Exclusion

County	2009 Valuation		2010 Valuation		2011 Valuation of		2011 Property		Cost to Increase from \$45,000 to \$65,000
	of Excluded Property	of Excluded Property	of Excluded Property	Excluded Property	Property Tax Rate	Property Tax Rate	Current Exemption	Tax Loss for	
Alamance	1,439,307	6,520,822	7,605,128	0.5200			39,547	17,576	
Alexander	450,000	1,894,112	2,118,312	0.6050			12,816	5,696	
Alleghany	0	0	1,029,500	0.4500			4,633	2,059	
Anson	846,800	0	0	0.7670			-	-	
Ashe	450,000	1,161,800	1,431,800	0.4000			5,727	2,545	
Avery	2,649,621	45,000	0	0.3700			-	-	
Beaufort	623,472	3,217,710	0	0.5300			-	-	
Bertie	0	677,514	893,964	0.7800			6,973	3,099	
Bladen	6,740,768	0	3,253,310	0.7400			24,074	10,700	
Brunswick	225,000	8,846,785	10,528,812	0.4425			46,590	20,707	
Buncombe	990,000	0	0	0.5250			-	-	
Burke	5,238,290	4,259,670	5,527,599	0.5200			28,744	12,775	
Cabarrus	3,007,840	0	8,427,630	0.6300			53,094	23,597	
Caldwell	810,000	4,221,940	5,371,244	0.6599			35,445	15,753	
Camden	4,725,000	1,305,000	1,485,000	0.5900			8,762	3,894	
Carteret	803,000	5,915,023	6,750,000	0.3000			20,250	9,000	
Caswell	2,925,000	0	0	0.6590			-	-	
Catawba	1,423,578	4,405,560	5,866,700	0.5300			31,094	13,819	
Chatham	1,253,240	1,637,432	2,402,432	0.6219			14,941	6,640	
Cherokee	900,000	1,525,150	1,908,610	0.3850			7,348	3,266	
Chowan	450,000	1,169,224	1,259,224	0.6850			8,626	3,834	
Clay	3,135,059	585,000	855,000	0.3600			3,078	1,368	
Cleveland	3,457,660	5,050,714	6,606,140	0.7200			47,564	21,140	
Columbus	5,405,770	4,191,660	4,191,660	0.8150			34,162	15,183	
Craven	68,378,010	8,144,053	7,376,533	0.4728			34,876	15,501	
Cumberland	1,365,510	86,389,483	99,091,088	0.7400			733,274	325,900	
Currituck	810,000	2,070,000	2,390,087	0.3200			7,648	3,399	

Dare	3,288,550	1,170,000	1,395,000	0.2800	3,906	1,736
Davidson	1,594,090	3,262,090	4,625,310	0.5400	24,977	11,101
Davie	2,509,810	1,793,400	2,601,900	0.6200	16,132	7,170
Duplin	6,785,647	3,274,990	3,788,160	0.7100	26,896	11,954
Durham	3,369,559	8,955,000	10,755,000	0.7459	80,222	35,654
Edgecombe	10,194,500	4,167,903	4,827,528	0.8600	41,517	18,452
Forsyth	2,340,000	13,284,100	15,769,840	0.6740	106,289	47,239
Franklin	7,012,025	3,081,714	3,081,714	0.8725	26,888	11,950
Gaston	202,895	7,859,867	9,805,125	0.8350	81,873	36,388
Gates	0	384,930	813,380	0.6400	5,206	2,314
Graham	2,430,000	624,690	714,690	0.4400	3,145	1,398
Granville	1,259,630	3,780,000	2,745,000	0.7950	21,823	9,699
Greene	8,475,335	1,529,630	1,977,500	0.7560	14,950	6,644
Guilford	3,143,034	23,107,340	16,646,261	0.7824	130,240	57,885
Halifax	8,337,790	3,984,647	4,708,351	0.6800	32,017	14,230
Harnett	4,672,672	15,349,500	36,186,192	0.7250	262,350	116,600
Haywood	2,650,800	4,905,730	6,121,375	0.5413	33,135	14,727
Henderson	612,429	0	1,620,000	0.5136	8,320	3,698
Hertford	4,122,680	511,818	1,669,835	0.8400	14,027	6,234
Hoke	90,000	5,443,960	6,839,610	0.7300	49,929	22,191
Hyde	4,104,855	180,000	315,000	0.5800	1,827	812
Iredell	938,950	6,783,476	7,893,748	0.4850	38,285	17,015
Jackson	5,124,045	1,466,910	1,778,720	0.2800	4,980	2,214
Johnston	1,624,231	7,123,528	8,518,810	0.7800	66,447	29,532
Jones	2,056,100	1,647,387	2,118,467	0.7400	15,677	6,967
Lee	5,490,000	2,911,100	3,766,100	0.7500	28,246	12,554
Lenoir	1,395,000	5,803,131	5,781,000	0.8000	46,248	20,555
Lincoln	5,000	2,160,000	2,835,000	0.5980	16,953	7,535
Macon	900,000	1,929,660	1,929,660	0.2790	5,384	2,393
Madison	2,118,900	1,350,000	1,620,000	0.5600	9,072	4,032
Martin	2,880,057	3,166,410	4,233,700	0.6700	28,366	12,607
McDowell	8,055,000	3,520,890	4,165,594	0.5500	22,911	10,183
Mecklenburg	1,035,000	12,218,100	16,025,200	0.8166	130,862	58,161
Mitchell	1,618,950	1,305,000	1,916,400	0.4000	7,666	3,407

Montgomery	4,799,115	2,262,500	2,688,500	0.6700	18,013	8,006
Moore	4,995,330	6,158,320	6,968,890	0.4650	32,405	14,402
Nash	4,393,414	6,269,520	7,349,285	0.6700	49,240	21,885
New Hanover	846,346	6,913,414	6,300,000	0.4655	29,327	13,034
Northampton	28,659,259	1,134,806	1,540,302	0.8700	13,401	5,956
Onslow	1,456,727	35,584,036	43,042,994	0.5850	251,802	111,912
Orange	579,274	315,000	0	0.8580	-	-
Pamlico	1,845,000	868,520	1,495,602	0.6525	9,759	4,337
Pasquotank	0	3,915,000	4,770,000	0.6200	29,574	13,144
Pender	585,000	2,238,434	3,214,482	0.5120	16,458	7,315
Perquimans	1,530,000	630,000	720,000	0.4400	3,168	1,408
Person	6,536,352	2,025,000	2,295,000	0.7000	16,065	7,140
Pitt	846,401	9,701,551	11,667,353	0.6650	77,588	34,484
Polk	6,078,043	1,301,176	1,576,996	0.5200	8,200	3,645
Randolph	34,167,600	6,284,281	7,469,325	0.5860	43,770	19,453
Richmond	6,660,560	6,243,735	7,212,309	0.8100	58,420	25,964
Robeson	2,712,566	7,560,700	9,116,570	0.7700	70,198	31,199
Rockingham	6,457,064	4,882,986	6,033,210	0.6980	42,112	18,716
Rowan	3,330,720	6,525,000	0	0.6225	-	-
Rutherford	5,216,293	4,637,100	5,778,810	0.5300	30,628	13,612
Sampson	1,829,110	6,954,759	8,097,176	0.7850	63,563	28,250
Scotland	2,218,405	3,114,310	3,608,780	0.9900	35,727	15,879
Stanly	1,419,307	2,745,695	3,127,500	0.6700	20,954	9,313
Stokes	3,429,810	1,782,014	2,093,914	0.6400	13,401	5,956
Surry	748,600	4,956,099	5,532,200	0.5820	32,197	14,310
Swain	1,485,000	793,600	793,600	0.3300	2,619	1,164
Sylvania	0	1,899,980	2,034,660	0.3949	8,035	3,571
Tyrrell	360,000	0	0	0.6600	-	-
Union	2,299,820	4,185,000	5,222,252	0.6650	34,728	15,435
Vance	19,086,366	2,990,400	2,713,116	0.7820	21,217	9,430
Wake	675,000	15,390,918	19,376,010	0.5340	103,468	45,986
Warren	934,830	107,685	1,716,036	0.6200	10,639	4,729
Washington	836,900	992,590	1,329,490	0.7900	10,503	4,668
Watauga	8,251,520	5,155,901	2,965,000	0.3130	9,280	4,125

Wayne	3,060,000	10,195,880	12,773,520	0.7025	89,734	39,882
Wilkes	2,910,906	4,726,528	5,062,822	0.6500	32,908	14,626
Wilson	919,361	6,870,761	8,426,801	0.7300	61,516	27,340
Yadkin	1,140,050	1,102,141	1,456,606	0.6900	10,051	4,467
Yancey	5,890,822	1,681,690	1,958,530	0.4500	8,813	3,917
TOTAL	\$ 408,131,330	\$ 502,367,583	\$ 603,486,584		\$ 3,985,506	\$ 1,771,336

§ 58-36-65. Classifications and Safe Driver Incentive Plan for nonfleet private passenger motor vehicle insurance.

(a) The Bureau shall file, subject to review, modification, and promulgation by the Commissioner, such rate classifications, schedules, or rules that the Commissioner deems to be desirable and equitable to classify drivers of nonfleet private passenger motor vehicles for insurance purposes. Subsequently, the Commissioner may require the Bureau to file modifications of the classifications, schedules, or rules. If the Bureau does not file the modifications within a reasonable time, the Commissioner may promulgate the modifications. In promulgating or modifying these classifications, schedules, or rules, the Commissioner may give consideration to the following:

- (1) Uses of vehicles, including without limitation to farm use, pleasure use, driving to and from work, and business use;
- (2) Principal and occasional operation of vehicles;
- (3) Years of driving experience of insureds as licensed drivers;
- (4) The characteristics of vehicles; or
- (5) Any other factors, not in conflict with any law, deemed by the Commissioner to be appropriate.

(b) The Bureau shall file, subject to review, modification, and promulgation by the Commissioner, a Safe Driver Incentive Plan ("Plan") that adequately and factually distinguishes among various classes of drivers that have safe driving records and various classes of drivers that have a record of at-fault accidents; a record of convictions of major moving traffic violations; a record of convictions of minor moving traffic violations; or a combination thereof; and that provides for premium differentials among those classes of drivers. Subsequently, the Commissioner may require the Bureau to file modifications of the Plan. If the Bureau does not file the modifications within a reasonable time, the Commissioner may promulgate the modifications. The Commissioner is authorized to structure the Plan to provide for surcharges above and discounts below the rate otherwise charged.

(c) The classifications and Plan filed by the Bureau shall be subject to the filing, hearing, modification, approval, disapproval, review, and appeal procedures provided by law; provided that the 210-day disapproval period in G.S. 58-36-20(a) and the 50-day deemer period in G.S. 58-36-20(b) do not apply to filings or modifications made under this section. The classifications or Plan filed by the Bureau and promulgated by the Commissioner shall of itself not be designed to bring about any increase or decrease in the overall rate level.

(d) Whenever any policy loses any safe driver discount provided by the Plan or is surcharged due to an accumulation of points under the Plan, the insurer shall, pursuant to rules adopted by the Commissioner, prior to or simultaneously with the billing for additional premium, inform the named insured of the surcharge or loss of discount by mailing to such insured a notice that states the basis for the surcharge or loss of discount, and that advises that upon receipt of a written request from the named insured it will promptly mail to the named insured a statement of the amount of increased premium attributable to the surcharge or loss of discount. The statement of the basis of the surcharge or loss of discount is privileged, and does not constitute grounds for any cause of action for defamation or invasion of privacy against the insurer or its representatives, or against any person who furnishes to the insurer the information upon which the insurer's reasons are based, unless the statement or furnishing of information is made with malice or in bad faith.

(e) Records of convictions for moving traffic violations to be considered under this section shall be obtained at least annually from the Division of Motor Vehicles and applied by the Bureau's member companies in accordance with rules to be established by the Bureau.

(f) The Bureau is authorized to establish reasonable rules providing for the exchange of information among its member companies as to chargeable accidents and similar information involving persons to be insured under policies. Neither the Bureau, any employee of the Bureau, nor any company or individual serving on any committee of the Bureau has any liability for defamation or invasion of privacy to any person arising out of the adoption, implementation, or enforcement of any such rule. No insurer or individual requesting, furnishing, or otherwise using any information that such insurer or person reasonably believes to be for purposes authorized by this section has any liability for defamation or invasion of privacy to any person on account of any such requesting, furnishing, or use. The immunity provided by this subsection does not apply to any acts made with malice or in bad faith.

(g) If an applicant for the issuance or renewal of a nonfleet private passenger motor vehicle insurance policy knowingly makes a material misrepresentation of the years of driving experience or the driving record of any named insured or of any other operator who resides in the same household and who customarily operates a motor vehicle to be insured under the policy, the insurer may:

- (1) Cancel or refuse to renew the policy;
- (2) Surcharge the policy in accordance with rules to be adopted by the Bureau and approved by the Commissioner; or
- (3) Recover from the applicant the appropriate amount of premium or surcharge that would have been collected by the insurer had the applicant furnished the correct information.

(h) If an insured disputes his insurer's determination that the operator of an insured vehicle was at fault in an accident, such dispute shall be resolved pursuant to G.S. 58-36-1(2), unless there has been an adjudication or admission of negligence of such operator.

(i) As used in this section, "conviction" means a conviction as defined in G.S. 20-279.1 and means an infraction as defined in G.S. 14-3.1.

(j) Subclassification plan surcharges shall be applied to a policy for a period of not less nor more than three policy years.

(k) The subclassification plan may provide for premium surcharges for insureds having less than three years' driving experience as licensed drivers.

(l) Except as provided in G.S. 58-36-30(d), no classification or subclassification plan for nonfleet private passenger motor vehicle insurance shall be based, in whole or in part, directly or indirectly, upon the age or gender of insureds.

(m) Notwithstanding any other provision of law, with respect to motorcycle insurance under the jurisdiction of the Bureau, any member of the Bureau may apply for and use in this State, subject to the Commissioner's approval, a downward deviation in the rates of insureds who show proof of satisfactory completion of the Motorcycle Safety Instruction Program. (1985 (Reg. Sess., 1986), c. 1027, s. 1; 1987, c. 864, ss. 28, 33; c. 869, s. 9; 1987 (Reg. Sess., 1988), c. 975, ss. 4, 5; 1989, c. 755, s. 3; 1993, c. 320, s. 5; 2002-187, s. 4.3.)

Proposed Change to G.S. 58-36-65

“(m) Notwithstanding any other provision of law, with respect to motorcycle insurance under the jurisdiction of the Bureau, any member of the Bureau may apply for and use in this State, subject to the Commissioner's approval, a downward deviation in the rates of insureds who show proof of satisfactory completion of the Motorcycle Safety Instruction Program.” [or a comparable motorcycle safety program provided by federally-certified instructors for members of the military]

Article 15A.
New Motor Vehicles Warranties Act.

§ 20-351. Purpose.

This Article shall provide State and private remedies against motor vehicle manufacturers for persons injured by new motor vehicles failing to conform to express warranties. (1987, c. 385, s. 1.)

§ 20-351.1. Definitions.

As used in this Article:

- (1) "Consumer" means the purchaser, other than for purposes of resale, or lessee from a commercial lender, lessor, or from a manufacturer or dealer, of a motor vehicle, and any other person entitled by the terms of an express warranty to enforce the obligations of that warranty.
- (2) "Manufacturer" means any person or corporation, resident or nonresident, who manufactures or assembles or imports or distributes new motor vehicles which are sold in the State of North Carolina.
- (3) "Motor vehicle" includes a motor vehicle as defined in G.S. 20-4.01 that is sold or leased in this State, but does not include "house trailer" as defined in G.S. 20-4.01 or any motor vehicle that weighs more than 10,000 pounds.
- (4) "New motor vehicle" means a motor vehicle for which a certificate of origin, as required by G.S. 20-52.1 or a similar requirement in another state, has never been supplied to a consumer, or which a manufacturer, its agent, or its authorized dealer states in writing is being sold as a new motor vehicle. (1987, c. 385, s. 1; 1989, c. 43, s. 2; c. 519, s. 2; 2005-436, s. 1.)

§ 20-351.2. Require repairs; when mileage warranty begins to accrue.

(a) Express warranties for a new motor vehicle shall remain in effect at least one year or 12,000 miles. If a new motor vehicle does not conform to all applicable express warranties for a period of one year, or the term of the express warranties, whichever is greater, following the date of original delivery of the motor vehicle to the consumer, and the consumer reports the nonconformity to the manufacturer, its agent, or its authorized dealer during such period, the manufacturer shall make, or arrange to have made, repairs necessary to conform the vehicle to the express warranties, whether or not these repairs are made after the expiration of the applicable warranty period.

(b) Any express warranty for a new motor vehicle expressed in terms of a certain number of miles shall begin to accrue from the mileage on the odometer at the date of original delivery to the consumer. (1987, c. 385; 1989, c. 14.)

§ 20-351.3. Replacement or refund; disclosure requirement.

(a) When the consumer is the purchaser or a person entitled by the terms of the express warranty to enforce the obligations of the warranty, if the manufacturer is unable, after a reasonable number of attempts, to conform the motor vehicle to any express warranty by repairing or correcting, or arranging for the repair or correction of, any defect or condition or series of defects or conditions which substantially impair the value of the motor vehicle to the consumer, and which occurred no later than 24 months or 24,000 miles following original delivery of the vehicle, the manufacturer shall, at the option of the consumer, replace the vehicle with a comparable new motor vehicle or accept return of the vehicle from the consumer and refund to the consumer the following:

- (1) The full contract price including, but not limited to, charges for undercoating, dealer preparation and transportation, and installed options,

plus the non-refundable portions of extended warranties and service contracts;

- (2) All collateral charges, including but not limited to, sales tax, license and registration fees, and similar government charges;
- (3) All finance charges incurred by the consumer after he first reports the nonconformity to the manufacturer, its agent, or its authorized dealer; and
- (4) Any incidental damages and monetary consequential damages.

(b) When consumer is a lessee, if the manufacturer is unable, after a reasonable number of attempts, to conform the motor vehicle to any express warranty by repairing or correcting, or arranging for the repair or correction of, any defect or condition or series of defects or conditions which substantially impair the value of the motor vehicle to the consumer, and which occurred no later than 24 months or 24,000 miles following original delivery of the vehicle, the manufacturer shall, at the option of the consumer, replace the vehicle with a comparable new motor vehicle or accept return of the vehicle from the consumer and refund the following:

- (1) To the consumer:
 - a. All sums previously paid by the consumer under the terms of the lease;
 - b. All sums previously paid by the consumer in connection with entering into the lease agreement, including, but not limited to, any capitalized cost reduction, sales tax, license and registration fees, and similar government charges; and
 - c. Any incidental and monetary consequential damages.
- (2) To the lessor, a full refund of the lease price, plus an additional amount equal to five percent (5%) of the lease price, less eighty-five percent (85%) of the amount actually paid by the consumer to the lessor pursuant to the lease. The lease price means the actual purchase cost of the vehicle to the lessor.

In the case of a refund, the leased vehicle shall be returned to the manufacturer and the consumer's written lease shall be terminated by the lessor without any penalty to the consumer. The lessor shall transfer title of the motor vehicle to the manufacturer as necessary to effectuate the consumer's rights pursuant to this Article, whether the consumer chooses vehicle replacement or refund.

(c) Refunds shall be made to the consumer, lessor, and any lienholders as their interests may appear. The refund to the consumer shall be reduced by a reasonable allowance for the consumer's use of the vehicle. A reasonable allowance for use is calculated from the number of miles used by the consumer up to the date of the third attempt to repair the same nonconformity which is the subject of the claim, or the twentieth cumulative business day when the vehicle is out of service by reason of repair of one or more nonconformities, whichever occurs first. The number of miles used by the consumer is multiplied by the purchase price of the vehicle or the lessor's actual lease price, and divided by 120,000.

(d) If a manufacturer, its agent, or its authorized dealer resells a motor vehicle that was returned pursuant to this Article or any other State's applicable law, regardless of whether there was any judicial determination that the motor vehicle had any defect or that it failed to conform to all express warranties, the manufacturer, its agent, or its authorized dealer shall disclose to the subsequent purchaser prior to the sale:

- (1) That the motor vehicle was returned pursuant to this Article or pursuant to the applicable law of any other State; and
- (2) The defect or condition or series of defects or conditions which substantially impaired the value of the motor vehicle to the consumer.

Any subsequent purchaser who purchases the motor vehicle for resale with notice of the return, shall make the required disclosures to any person to whom he resells the motor vehicle. (1987, c. 385, s. 1; 1989, c. 43, s. 1; c. 519, s. 1; 2005-436, s. 2.)

§ 20-351.4. Affirmative defenses.

It is an affirmative defense to any claim under this Article that an alleged nonconformity or series of nonconformities are the result of abuse, neglect, odometer tampering by the consumer or unauthorized modifications or alterations of a motor vehicle. (1987, c. 385.)

§ 20-351.5. Presumption.

(a) It is presumed that a reasonable number of attempts have been undertaken to conform a motor vehicle to the applicable express warranties if:

- (1) The same nonconformity has been presented for repair to the manufacturer, its agent, or its authorized dealer four or more times but the same nonconformity continues to exist; or
- (2) The vehicle was out of service to the consumer during or while awaiting repair of the nonconformity or a series of nonconformities for a cumulative total of 20 or more business days during any 12-month period of the warranty,

provided that the consumer has notified the manufacturer directly in writing of the existence of the nonconformity or series of nonconformities and allowed the manufacturer a reasonable period, not to exceed 15 calendar days, in which to correct the nonconformity or series of nonconformities. The manufacturer must clearly and conspicuously disclose to the consumer in the warranty or owners manual that written notification of a nonconformity is required before a consumer may be eligible for a refund or replacement of the vehicle and the manufacturer shall include in the warranty or owners manual the name and address where the written notification may be sent. Provided, further, that notice to the manufacturer shall not be required if the manufacturer fails to make the disclosures provided herein.

(b) The consumer may prove that a defect or condition substantially impairs the value of the motor vehicle to the consumer in a manner other than that set forth in subsection (a) of this section.

(c) The term of an express warranty, the one-year period, and the 20-day period shall be extended by any period of time during which repair services are not available to the consumer because of war, strike, or natural disaster. (1987, c. 385.)

§ 20-351.6. Civil action by the Attorney General.

Whenever, in his opinion, the interests of the public require it, it shall be the duty of the Attorney General upon his ascertaining that any of the provisions of this Article have been violated by the manufacturer to bring a civil action in the name of the State, or any officer or department thereof as provided by law, or in the name of the State on relation of the Attorney General. (1987, c. 385, s. 1.)

§ 20-351.7. Civil action by the consumer.

A consumer injured by reason of any violation of the provisions of this Article may bring a civil action against the manufacturer; provided, however, the consumer has given the manufacturer written notice of his intent to bring an action against the manufacturer at least 10 days prior to filing such suit. Nothing in this section shall prevent a manufacturer from requiring a consumer to utilize an informal settlement procedure prior to litigation if that procedure substantially complies in design and operation with the Magnuson-Moss Warranty Act, 15 USC § 2301 et seq., and regulations promulgated thereunder, and that requirement is

written clearly and conspicuously, in the written warranty and any warranty instructions provided to the consumer. (1987, c. 385, s. 1.)

§ 20-351.8. Remedies.

In any action brought under this Article, the court may grant as relief:

- (1) A permanent or temporary injunction or other equitable relief as the court deems just;
- (2) Monetary damages to the injured consumer in the amount fixed by the verdict. Such damages shall be trebled upon a finding that the manufacturer unreasonably refused to comply with G.S. 20-351.2 or G.S. 20-351.3. The jury may consider as damages all items listed for refund under G.S. 20-351.3;
- (3) A reasonable attorney's fee for the attorney of the prevailing party, payable by the losing party, upon a finding by the court that:
 - a. The manufacturer unreasonably failed or refused to fully resolve the matter which constitutes the basis of such action; or
 - b. The party instituting the action knew, or should have known, the action was frivolous and malicious. (1987, c. 385.)

§ 20-351.9. Dealership liability.

No authorized dealer shall be held liable by the manufacturer for any refunds or vehicle replacements in the absence of evidence indicating that dealership repairs have been carried out in a manner substantially inconsistent with the manufacturers' instructions. This Article does not create any cause of action by a consumer against an authorized dealer. (1987, c. 385.)

§ 20-351.10. Preservation of other remedies.

This Article does not limit the rights or remedies which are otherwise available to a consumer under any other law. (1987, c. 385.)

§ 20-351.11. Manufacturer's warranty for State motor vehicles that operate on diesel fuel.

Every new motor vehicle purchased by the State that is designed to operate on diesel fuel shall be covered by an express manufacturer's warranty that allows the use of B-20 fuel, as defined in G.S. 143-58.4. This section does not apply if the intended use, as determined by the agency, of the new motor vehicle requires a type of vehicle for which an express manufacturer's warranty allows the use of B-20 fuel is not available. (2007-420, s. 1.)

§ 20-352. Reserved for future codification purposes.

§ 20-353. Reserved for future codification purposes.

Article 2.
Prohibited Acts by Debt Collectors.

§ 75-50. Definitions.

The following words and terms as used in this Article shall be construed as follows:

- (1) "Consumer" means any natural person who has incurred a debt or alleged debt for personal, family, household or agricultural purposes.
- (2) "Debt" means any obligation owed or due or alleged to be owed or due from a consumer.
- (3) "Debt collector" means any person engaging, directly or indirectly, in debt collection from a consumer except those persons subject to the provisions of Article 70, Chapter 58 of the General Statutes. (1977, c. 747, s. 4; 1989, c. 770, s. 15.)

§ 75-51. Threats and coercion.

No debt collector shall collect or attempt to collect any debt alleged to be due and owing from a consumer by means of any unfair threat, coercion, or attempt to coerce. Such unfair acts include, but are not limited to, the following:

- (1) Using or threatening to use violence or any illegal means to cause harm to the person, reputation or property of any person.
- (2) Falsely accusing or threatening to accuse any person of fraud or any crime, or of any conduct that would tend to cause disgrace, contempt or ridicule.
- (3) Making or threatening to make false accusations to another person, including any credit reporting agency, that a consumer has not paid, or has willfully refused to pay a just debt.
- (4) Threatening to sell or assign, or to refer to another for collection, the debt of the consumer with an attending representation that the result of such sale, assignment or reference would be that the consumer would lose any defense to the debt or would be subjected to harsh, vindictive, or abusive collection attempts.
- (5) Representing that nonpayment of an alleged debt may result in the arrest of any person.
- (6) Representing that nonpayment of an alleged debt may result in the seizure, garnishment, attachment, or sale of any property or wages unless such action is in fact contemplated by the debt collector and permitted by law.
- (7) Threatening to take any action not in fact taken in the usual course of business, unless it can be shown that such threatened action was actually intended to be taken in the particular case in which the threat was made.
- (8) Threatening to take any action not permitted by law. (1977, c. 747, s. 4.)

§ 75-52. Harassment.

No debt collector shall use any conduct, the natural consequence of which is to oppress, harass, or abuse any person in connection with the attempt to collect any debt. Such unfair acts include, but are not limited to, the following:

- (1) Using profane or obscene language, or language that would ordinarily abuse the typical hearer or reader.
- (2) Placing collect telephone calls or sending collect telegrams unless the caller fully identifies himself and the company he represents.
- (3) Causing a telephone to ring or engaging any person in telephone conversation with such frequency as to be unreasonable or to constitute a harassment to the person under the circumstances or at times known to be times other than normal waking hours of the person.

- (4) Placing telephone calls or attempting to communicate with any person, contrary to his instructions, at his place of employment, unless the debt collector does not have a telephone number where the consumer can be reached during the consumer's nonworking hours. (1977, c. 747, s. 4.)

§ 75-53. Unreasonable publication.

No debt collector shall unreasonably publicize information regarding a consumer's debt. Such unreasonable publication includes, but is not limited to, the following:

- (1) Any communication with any person other than the debtor or his attorney, except:
 - a. With the written permission of the debtor or his attorney given after default;
 - b. To persons employed by the debt collector, to a credit reporting agency, to a person or business employed to collect the debt on behalf of the creditor, or to a person who makes a legitimate request for the information;
 - c. To the spouse (or one who stands in place of the spouse) of the debtor, or to the parent or guardian of the debtor if the debtor is a minor and lives in the same household with such parent;
 - d. For the sole purpose of locating the debtor, if no indication of indebtedness is made;
 - e. Through legal process.
- (2) Using any form of communication which ordinarily would be seen or heard by any person other than the consumer that displays or conveys any information about the alleged debt other than the name, address and phone number of the debt collector except as otherwise provided in this Article.
- (3) Disclosing any information relating to a consumer's debt by publishing or posting any list of consumers, except for credit reporting purposes and the publication and distribution of otherwise permissible "stop lists" to the point-of-sale locations where credit is extended, or by advertising for sale any claim to enforce payment thereof or in any other manner other than through legal process. (1977, c. 747, s. 4; 1979, c. 910.)

§ 75-54. Deceptive representation.

No debt collector shall collect or attempt to collect a debt or obtain information concerning a consumer by any fraudulent, deceptive or misleading representation. Such representations include, but are not limited to, the following:

- (1) Communicating with the consumer other than in the name (or unique pseudonym) of the debt collector and the person or business on whose behalf the debt collector is acting or to whom the debt is owed.
- (2) Failing to disclose in all communications attempting to collect a debt that the purpose of such communication is to collect a debt.
- (3) Falsely representing that the debt collector has in his possession information or something of value for the consumer.
- (4) Falsely representing the character, extent, or amount of a debt against a consumer or of its status in any legal proceeding; falsely representing that the collector is in any way connected with any agency of the federal, State or local government; or falsely representing the creditor's rights or intentions.
- (5) Using or distributing or selling any written communication which simulates or is falsely represented to be a document authorized, issued, or approved by

a court, an official, or any other legally constituted or authorized authority, or which creates a false impression about its source.

- (6) Falsely representing that an existing obligation of the consumer may be increased by the addition of attorney's fees, investigation fees, service fees, or any other fees or charges.
- (7) Falsely representing the status or true nature of the services rendered by the debt collector or his business.
- (8) Communicating with the consumer in violation of the provisions of G.S. 62-159.1(a), 153A-277(b1), or 160A-314(b1). (1977, c. 747, s. 4; 2009-302, s. 5.)

§ 75-55. Unconscionable means.

No debt collector shall collect or attempt to collect any debt by use of any unconscionable means. Such means include, but are not limited to, the following:

- (1) Seeking or obtaining any written statement or acknowledgment in any form containing an affirmation of any debt by a consumer who has been declared bankrupt, an acknowledgment of any debt barred by the statute of limitations, or a waiver of any legal rights of the debtor without disclosing the nature and consequences of such affirmation or waiver and the fact that the consumer is not legally obligated to make such affirmation or waiver.
- (2) Collecting or attempting to collect from the consumer all or any part of the debt collector's fee or charge for services rendered, collecting or attempting to collect any interest or other charge, fee or expense incidental to the principal debt unless legally entitled to such fee or charge.
- (3) Communicating with a consumer (other than a statement of account used in the normal course of business) whenever the debt collector has been notified by the consumer's attorney that he represents said consumer.
- (4) Bringing suit against the debtor in a county other than that in which the debt was incurred or in which the debtor resides if the distances and amounts involved would make it impractical for the debtor to defend the claim. (1977, c. 747, s. 4.)

§ 75-56. Application.

(a) The specific and general provisions of this Article shall exclusively constitute the unfair or deceptive acts or practices proscribed by G.S. 75-1.1 in the area of commerce regulated by this Article.

(b) Any debt collector who fails to comply with any provision of this Article with respect to any person is liable to such person in a private action in an amount equal to the sum of (i) any actual damage sustained by such person as a result of such failure and (ii) civil penalties the court may allow, but not less than five hundred dollars (\$500.00) nor greater than four thousand dollars (\$4,000) for each violation.

(c) The remedies provided by this section shall be cumulative and in addition to remedies otherwise available. Any punitive damages assessed against a debt collector shall not be reduced by the amount of the civil penalty assessed against such debt collector pursuant to subsection (d) of this section.

(d) Notwithstanding the provisions of G.S. 75-15.2 and G.S. 75-16, in private actions or actions instituted by the Attorney General, civil penalties in excess of four thousand dollars (\$4,000) shall not be imposed.

(e) The clear proceeds of civil penalties imposed in actions instituted by the Attorney General shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S.

115C-457.2. (1977, c. 747, s. 4; 1983, c. 417, s. 1; 1985 (Reg. Sess., 1986), c. 802; 1991, c. 68, s. 1; 1998-215, s. 101; 2009-573, s. 9.)

§§ 75-57 through 75-59. Reserved for future codification purposes.

GS_20-75.1 Page 1 of 1

§ 20-75.1. Conditional delivery of motor vehicles.

Notwithstanding G.S. 20-52.1, 20-72, and 20-75, nothing contained in those sections prohibits a dealer from entering into a contract with any purchaser for the sale of a vehicle and delivering the vehicle to the purchaser under terms by which the dealer's obligation to execute the manufacturer's certificate of origin or the certificate of title is conditioned on the purchaser obtaining financing for the purchase of the vehicle. Liability, collision, and comprehensive insurance on a vehicle sold and delivered conditioned on the purchaser obtaining financing for the purchase of the vehicle shall be covered by the dealer's insurance policy until such financing is finally approved and execution of the manufacturer's certificate of origin or execution of the certificate of title. Upon final approval and execution of the manufacturer's certificate of origin or the certificate of title, and upon the purchaser having liability insurance on another vehicle, the delivered vehicle shall be covered by the purchaser's insurance policy beginning at the time of final financial approval and execution of the manufacturer's certificate of origin or the certificate of title. The dealer shall notify the insurance agency servicing the purchaser's insurance policy or the purchaser's insurer of the purchase on the day of, or if the insurance agency or insurer is not open for business, on the next business day following approval of the purchaser's financing and execution of the manufacturer's certificate of origin or the certificate of title. This subsection is in addition to any other provisions of law or insurance policies and does not repeal or supersede those provisions. (1993, c. 328, s. 1.)

§ 105-277.1C. Disabled veteran property tax homestead exclusion.

(a) **Classification.** – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and is taxable in accordance with this section. The first forty-five thousand dollars (\$45,000) of appraised value of the residence is excluded from taxation. A qualifying owner who receives an exclusion under this section may not receive other property tax relief.

(b) **Definitions.** – The following definitions apply in this section:

- (1) **Disabled veteran.** – A veteran of any branch of the Armed Forces of the United States whose character of service at separation was honorable or under honorable conditions and who satisfies one of the following requirements:
 - a. As of January 1 preceding the taxable year for which the exclusion allowed by this section is claimed, the veteran had received benefits under 38 U.S.C. § 2101.
 - b. The veteran has received a certification by the United States Department of Veterans Affairs or another federal agency indicating that, as of January 1 preceding the taxable year for which the exclusion allowed by this section is claimed, he or she has a service-connected, permanent, and total disability.
 - c. The veteran is deceased and the United States Department of Veterans Affairs or another federal agency has certified that, as of January 1 preceding the taxable year for which the exclusion allowed by this section is claimed, the veteran's death was the result of a service-connected condition.
- (2) Repealed by Session Laws 2009-445, s. 22(c), effective for taxes imposed for taxable years beginning on or after July 1, 2009.
- (3) **Permanent residence.** – Defined in G.S. 105-277.1.
- (4) **Property tax relief.** – Defined in G.S. 105-277.1.
- (4a) **Qualifying owner.** – An owner, as defined in G.S. 105-277.1, who is a North Carolina resident and one of the following:
 - a. A disabled veteran.
 - b. The surviving spouse of a disabled veteran who has not remarried.
- (5), (6) Repealed by Session Laws 2009-445, s. 22(c), effective for taxes imposed for taxable years beginning on or after July 1, 2009.
- (7) **Service-connected.** – Defined in 38 U.S.C. § 101.

(c) **Temporary Absence.** – An owner does not lose the benefit of this exclusion because of a temporary absence from his or her permanent residence for reasons of health or because of an extended absence while confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by the owner's spouse or other dependent.

(d) **Ownership by Spouses** – A permanent residence owned and occupied by husband and wife is entitled to the full benefit of this exclusion notwithstanding that only one of them meets the requirements of this section.

(e) **Other Multiple Owners.** – This subsection applies to co-owners who are not husband and wife. Each co-owner of a permanent residence must apply separately for the exclusion allowed under this section.

When one or more co-owners of a permanent residence qualify for the exclusion allowed under this section and none of the co-owners qualifies for the exclusion allowed under G.S. 105-277.1, each co-owner is entitled to the full amount of the exclusion allowed under this section. The exclusion



North Carolina General Assembly
House of Representatives
State Legislative Building
Raleigh 27601-1096

April 10, 2012

MEMORANDUM

TO: Members of the House Select Committee on Military Affairs
FROM: Representative Phil Shepard, Co-Chair
Representative Bill Cook, Co-Chair
SUBJECT: House Select Committee on Military Affairs Meeting

DAY	DATE	TIME	ROOM
Tuesday	April 24, 2012	10:00 a.m.	414 Legislative Office Bldg.

Parking for non-legislative members of the committee/commission is available in the visitor parking deck #75 located on Salisbury Street across from the Legislative Office Building. Parking is also available in the parking lot across Jones Street from the State Library/Archives. You can view a map of downtown by visiting <http://www.ncleg.net/graphics/downtownmap.pdf>.

If you are unable to attend or have any questions concerning this meeting, please contact
at

cc: Committee Record
Interested Parties





HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

AGENDA

April 24, 2012
Room 414, Legislative Office Building
10:00 AM

WELCOME AND INTRODUCTION

Rep. Bill Cook, Co-Chair
Rep. Phil Shepard, Co-Chair

Consideration of Draft Report to the 2012 Regular Session

Committee Discussion

Instructions to Staff

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs

04/24/12

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

<i>[Signature]</i>	NCCA / WAPA
<i>[Signature]</i>	Gene: ASSO.
Jen Willis	NCCS
Chris Agnee	DOA
John Nicholson	Governor's Office
Susanna Davis	Gov Office
Colleen Kochanek	AANC
Alex Miller	AANC
David McHovan	NC Realtors
Doug Heron	Williams Mullen
Jessica Heironimus	Consumer Protection Division, AG's office

VISITOR REGISTRATION SHEET

House Select Committee on Military Affairs
Name of Committee

04/24/12
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Mitch Leonard

SEANC

John Patacko
Adopt S. Unit

NCAAA

Philip Tishy

NPA

Sally Camera

NC Psychological Association

Kimberly Rhinhardt

UNC

Stephen Karben

Compass C

MINUTES

HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

Tuesday April 24, 2012

10:00 A.M.

LOB 414

The House Select Committee on Military Affairs met on Monday Tuesday, April 24, 2012, at 10:00 a.m. in room 414 of the Legislative Office Building. Representatives Cook, Shepard, Bell, Cleveland, Horn, Martin, Parfitt, Torbett and Sanderson attended.

Representative Shepard presided. He welcomed everyone, and recognized the Sergeant-at-Arms: Garland Shephard and Martha Gadison, and the committee staff.

The Committee met to consider whether to adopt the draft "Report to the 2012 to the 2012 Regular Session of the 2012 Regular Session of the 2011 General Assembly" in part or in whole.

Mr. Hal Pell and staff presented the following: (See attachment #1)

1st Recommendation Active Duty Death/Lease Termination:

This bill terminates the lease of an active duty service member, when he/she dies on active duty. Many realtors occasionally do this even though it is not in the statute. It limits the termination to only the part that relates to the service member or a lawful member representing the service member. This will give guide lines to the lease holder.

2nd. Recommendation was Vehicle Conditional Sales/Notice:

This bill provides for a notice of rights on the conditional sales contract. This notice needs to be implemented when automobiles are sold to servicemen and all consumers where there is miscommunication when the financing falls through, and the need for a vehicle to be returned needs to be returned or a down payment needs to be refunded.

Representative Horn asked, what happens if the dealer decides not to notify the consumer would this proposal be enforceable. The staff responded that it was enforceable through the Consumer Protection Division, AG's office, or a private cause of action.

Representative Shepard asked if anyone could speak on this matter. Jessica Ramos was introduced as a Consumer Specialist representing the Attorney General's Office, so Mr. Pell asked, "what is the standard procedure for letting the public know their rights", She responded that, "they usually first decide if the problem is a trend or a pattern, they become involved mostly with mediation." If there is a problem with the deal and it needs to be taken to the next level for legal action having the attorney contact the dealership. Mr. Pell gave an opinion that it would probably be enforceable as a violation of the unfair trade and deceptive practice statute. This is to give notice of this act.

Representative Horn asked when this would come into effect and how it would protect our soldiers. Mr. Pell responded that the current law pursues relief, it is like any civil act and they have the right to terminate the sale. This can be carried out by the Attorney General's Office, which is cheaper. The law requires them to provide protection because they have right to terminate the sale and give notice of this right. It is only going to happen if dealers are violating the issue anyway.

Representative Martin said, his guess is that most will comply with this action, but we might have to state in the bill that it is required to give a copy to the buyer. If they have problems, they will have this signed form for legal assistances to help solve this issue.

John Policastro, from the NC Automobile Dealers Association, told the committee that the Federal Trade Commission is currently reviewing conditional sales contracts as a subject of potential future regulation. He responded to Representative Martin saying that this is the current requirement in the contract as a separate page, the elements in this notice are already place, just not in this form or fashion and given to the buyer. The dealers have high regard for the military and their high quality of service.

Representative Shepard noted a change he believed should be make on page 21: he thinks line 18 should state the intent to give notice of the laws as a separate page.

Representative Cleveland said he thought the committee as engaged in semantics:

Representative Martin said it was now standard practice to provide a contract to the buyer and we want to make it a requirement to give this page to the purchaser. The buyer must get a copy of this additional notice.

Mr. Pell recommends a copy of the additional notice be given at that time of sale. And he recommends what the committee wants to do in adding this is for the notice to be given to the buyer at time of purchase.

Representative Cook asked if we are changing line 18 and line 13. Mr. Pell recommended just making a change to line 13.

Representative Torbett wanted to know if reposting of the language of this notice and the copy of the notice will be delivered at time of purchase. Mr. Pell answered that on line 13 and 14 it says a copy be given at the time of purchase.

Representative Martin suggested that the bill be amended to ensure that a copy of the notice be provided to the purchaser at time of purchase. Hal Pell suggested that this provision be added after line 13 on page 2 of the bill. Representative Martin moved adoption of the amendment. Vote taken on the amendment and was so moved.

3rd. Recommendation: Was introduced by Sara Kamprath: Regional Military Family Counselors Fund Needed in some counties:

The committee had presentations stating the need of more regional military family counselors in Craven, Wayne, Onslow and Cumberland County. It was suggested for the 2012-2013 fiscal years to fund five additional regional military family counselors. Two of the regional military family counselors shall work in the Onslow County Public School System and three of the regional military family counselors shall work in the Cumberland County Public School System. These are the areas with the highest volume of military families. These numbers are based on the number of students in this area with issues related to deployment and family relocation. It is the staff's recommendations that the funds be appropriated for additional military counselors in the sum of three hundred thousand dollars (\$300,000), which included benefits.

Representative Cleveland noted that the federal government had counselors in these areas and asked why they took them away? These counselors had been funded by grants in the past, the grants end this year.

Representative Shepard stated that in Onslow County the counselors are paid by grant money and it is running out, and when it runs out we see the disparity that the number of counselors is needed by the number of students needing more counselors.

Mr. Pell stated that the bill states it would only be committed for only 2012-2013 fiscal years.

Representative Cleveland said this is typical government we know it is funded by grants and the grants run out and we fund the position, this keeps adding to the tax payers burden. That mentally has to change if we are going to change government. We see it in all areas of government. We get grant money knowing it is going to run out. We just keep growing government and this has to stop.

Representative Torbett asked if this committee had addressed the realignment of the counselors in these counties to be disbursed or if we are just adding additional personnel, or if we can realign these counselors. It was his first instinct to talk with the Board of Education and see if they have certain number of counselors per student or if they are relying only on grants.

Representative Shepard stated that the state has provided one counselor per county, but the disparity has to do with those military families. He was not sure if the grant money will come next year or not. He has talked with Onslow County Board of education which said that one counselor is allotted to work with 13,000 students.

Representative Torbett wants to look at available funds for a one time asset, and asked if we looked into providing these counselors state wide.

Mr. Pell said there was no way to reallocate, because there is only one counselor per county and if we reallocate then that counties would have zero. There is only one counselor a county at present and they cannot be realigned.

Representative Parfitt said we are at bare minimum with our counselors she stated we have a twofold issue that needs to be addressed as the wars in Iraq and Afghanistan have affected our military students dramatically.

Representative Martin stated he was pleased with the progress we have made and is pleased with these targets and placing these additional counselors in these counties.

Representative Horn said in his recollection did we talk about earmarking new funds for this issue and wondered if as a committee we asked for funds.

Representative Bell said it was his understanding that we were going to contact the military to see if they could help us with this issue in funding from the Federal Government. It has been brought to his attention that we have other problems. More veterans need more help, and he believed the Federal government should get involved. Representative Shepard said these students are in our local schools not on the base.

Mrs. Paul stated that we talked about the salary and benefits; we did not talk about a certain amount paid out or how it would be funded. The committee would defer this to appropriations for funding of these positions

Mr. Pell said it could just be a recommendation for this fiscal year and not name a specific amount. The committee can make the recommendation for the counselors without providing funding.

Representative Horn wanted to address the fact that federal government brought these kids here, and this was a federal decision, and we do not need to be burdening the state with this especially when the state is broke.

Representative Horn wanted to make a motion to make this a recommendation not a bill. Motion was made and seconded to make a recommendation that the state supply the addition counselors.

4th. Recommendation: Committee finds that more military children have some form of autism spectrum disorder than the general population of children in the United States

The problem lies with TRICARE, the military health care program, which provides intensive Applied Behavioral Analysis (ABA) support as a benefit to active military families. TRICARE requires that ABA services are supervised by Board Certified Behavior Analysts and delivered by Board Certified Assistant Behavior Analysts. State law classifies ABA under the umbrella of "psychological services" so only a licensed psychologist can provide or oversee ABA service.

Mrs. Paul said that 29 states require insurance carriers to deliver autism services to children. North Carolina does not mandate that. Pennsylvania and Arizona have separate licensing bodies. In Connecticut, it is criminal. North Carolina does not have a mandate on this issue and may not have the appropriate credentials. In Florida, there is an exemption. North Carolina is looking at the exemption and does not know if that is the worked-out compromise, as they do not have access to the alternate bill. Does this mean North Carolina wants to recognize that they are nationally certified, or do we want them to be State Certified as well, or regulated by a board.

Representative Parfitt said we want to make sure our insurance covers autism for our children And make sure they are nationally licensure is adequate. We want them to have state licensure since we have everything else under a board.

Sally Cameron, Executive Director of the North Carolina Psychological Association, said they support treatment for children and adults. They did not support the initial version of the bill because they did not see a precedent where professionals in a similar capacity were not regulated by North Carolina. She noted they worked with a sponsor of a bill that addresses this matter. We wanted to bring the ABA under the Psychology Board. They have a version of the bill they like, and they want to work with the community on this meeting. There is a Senate Bill now in the workings.

Representative Torbett said we need some kind of check point annually as well as a time table and a dead line when this can transpire. We need feedback to see if what we are doing is good for the patient and we will know how to continue to help these families.

Representative Parfitt said the answer to Representative Torbett question concerning feedback will come if we have this under a certification body.

Representative Parfitt made a recommendation that there should be a regulatory oversight over the analysts to give us an annual report and the bill on page 24. A motion was made and second to adopt this bill that amends the NC Psychology Practice Act.

The committee recommends that: Board Certified Behavior Analysts and Assistant Behavior Analysts are allowed to offer ABA services within the scope of practice authorized by the Behavior Analyst Certification Board without supervision by a licensed psychologist. The bill attached as 2011-Rjz-7 with amends the North Carolina Psychology Practice Act, should be adopted by the General Assembly.


5th. Recommendation: Motorcycle insurance discount for motorcycle safety course at military installations

Mr. Pell. Said, the bill on page 25 is subject to the Commissioners approval. This is a technical change. This allows members of the military who have taken a comparable motorcycle safety program such as provided by the federal government, provided by federally certified instructors to receive the same motorcycle insurance discount as a citizen who completes the motorcycle safety instruction program.

Representative Torbett made a motion to approve this recommendation as stated above, the Motion was made the ayes have it and the motion was passed and approve by the committee.

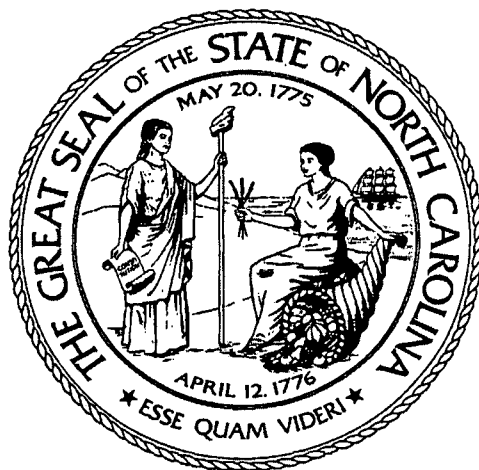
The Committee, upon motion adopted the Report as amended. The final report is to be emailed to the members.

Meeting adjourned at 11:07 a.m.


Representative Phil Shepard, Co-Chair
Representative Bill Cook, Co-Chair


Pamela Pate, Co-Committee Clerk
Amanda Vuke, Co-Committee Clerk

NORTH CAROLINA GENERAL ASSEMBLY



HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS

REPORT TO THE
2012 REGULAR SESSION
of the
2011 GENERAL ASSEMBLY
OF NORTH CAROLINA

APRIL 24, 2012

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TRANSMITTAL LETTER

April 24, 2012

TO THE MEMBERS OF THE 2012 REGULAR SESSION
OF THE 2011 GENERAL ASSEMBLY

The HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS respectfully submits the following report to the 2012 Regular Session of the 2011 General Assembly.

Rep. Phil R. Shepard (Co-Chair)

Rep. Bill Cook (Co-Chair)

COMMITTEE PROCEEDINGS

The Committee on House Select Committee on Military Affairs met six times after the 2011 Regular Session. The following is a brief summary of the Committee's proceedings. Detailed minutes and information from each Committee meeting are available in the Legislative Library.

September 29, 2011

The Committee met on September 29, at 1:00 pm in Room 415 of the Legislative Office Building. Colonel Keith Pearce, North Carolina National Guard (NCNG) – Strategic Plans Office, presented information on the Army and Air Force NCNG locations in 75 counties across the State, the federal and State missions of the NCNG, and funding for the NCNG.

Timothy Wipperman, Assistant Secretary for Veterans Affairs, and Wayne Peedin, Assistant Director, North Carolina Division of Veterans Affairs, North Carolina Department of Administration, both presented information on the organizational structure at the State, district and county level. They also presented information on the services provided to veterans, including the State Veterans Cemeteries, State Veterans Nursing Homes and a scholarship program for the children of veterans.

Scott Dorney, Executive Director, North Carolina Military Business Center, discussed the goals of the North Carolina Military Business Center to increase federal business for the State, integrate military and their families into the workforce and support defense-related recruitment. He also discussed the current opportunity sectors for North Carolina businesses in military construction, manufacturing and product distribution, and non-personal services.

November 14, 2011

The Committee met on November 14, at 2:00 pm in Room 414 of the Legislative Office Building. John Nicholson, Military Affairs Adviser, Office of the Governor, presented information assessing the impact of the military and defense community in the State on local economic development since the last round of the Defense Base Closure and Realignment Commission (BRAC). The information came from a series of regional summits that the Governor directed to examine the challenges still facing the four major military clusters and their surrounding communities in the areas of economic development, infrastructure, encroachment, and military family quality of life.

Alfonzo King, Mayor of Goldsboro and Chairman of the North Carolina Advisory Commission on Military Affairs (Commission), discussed the three priority areas in the Commission's strategic plan: military base sustainability, economic development, and quality of life/community affairs.

MG Hugh Overholt discussed the importance of protecting and growing the military presence in the State. He also spoke about the importance of getting more of the military members to retire in the State.

Julie Fulton, School Liaison Officer at Camp LeJeune, discussed the need for additional Regional Military Family Counselors in the Onslow County Public School System and the Cumberland County Public School System to help military students adjust to the stress of family relocation, deployment of a parent, or transition to a new school environment. The State currently funds only one Regional Military Family Counselor in each school system.

Emily Dickens, Director of Community and Government Affairs, Fayetteville State University, presented information about the partnership between Fort Bragg, local defense industry businesses and Fayetteville State University. She invited the Committee to hold a future Committee meeting at the institution.

January 30, 2012

The Committee met on January 30 at 1:00 pm in the J.C. Jones Boardroom, Charles Chesnutt Library, at Fayetteville State University. Chancellor James Anderson and Emily Dickens, Director of Government and Community Affairs, Fayetteville State University, welcomed the Committee to the campus.

Greg Taylor, Executive Director, Fort Bragg Regional Alliance, identified the need for funds to build additional schools in the area to accommodate BRAC related growth, the need to retain more of the exiting military talent to boost economic development in the area, transportation infrastructure and land use compatibility.

Chris Ray, Mayor of Spring Lake, identified the need for land to develop a business cluster, help to train military members when they exit service and help to address the medical care needs of both active and retired military members.

Dale Iman, City Manager for the City of Fayetteville, identified the need for assistance with funding for transportation infrastructure to relieve traffic congestion and to develop a military business park.

Scott Perry, Executive Director, Partnership for Defense Innovation, presented information about the company's research and development which has applications in defense and homeland security. The company collaborates with academia, the military, intelligence communities, the State of North Carolina, and private institutions to foster cooperation in the development of new technology.

The Committee heard next from the Garrison Commander and other individuals about activities at Fort Bragg. Colonel Steve Sicinski, Garrison Commander, XVIII Airborne Corps, and Colonel J. R. Dushel, Deputy Chief of Staff, XVIII Airborne Corps, gave an overview of the infrastructure and facilities, commands on post, and annual economic impact of Fort Bragg to the local community. The current military population is over 58,000 Soldiers, making Fort Bragg the largest Army installation in the world with 10% of the total Army population.

Brigadier General William Gothard, US Army Reserve Command presented information about Army Reserve facilities in the State, including recent construction and future construction projects. The Army Reserve also partners with employers in the State to match Service member skills with civilian sector jobs.

Brigadier General Ferdinand Irizarry, Deputy Commanding General, John F. Kennedy Special Warfare Center and School and Dr. David Brand, Deputy Director of the Special Warfare Education Group, John F. Kennedy Special Warfare Center and School,

explained how a soldier entering the Special Forces qualification courses must have an associate's degree. The Warfare School has entered into an agreement with Fayetteville Technical Community College (FTCC) so that a soldier without an associate's degree can enroll and earn an associate's degree in general education with a concentration in global studies or Emergency Medicine at FTCC. Five UNC constituent institutions partially or fully accept the FTCC degree as part of the credit hour requirements for 17 bachelor's degrees.

Deborah Farmer, Transformation/Support Agreements Management Analyst Plans, Analysis & Evaluation Directorate of Business Operations Womack Army Medical Center provided information about the Medical Center and its relationship with Fort Bragg and the surrounding communities. Womack Army Medical Center provides health care to 117,000 enrolled beneficiaries.

The last set of presentations was on the following programs at Fayetteville State University (FSU).

Jon Young, Provost and Vice Chancellor for Academic Affairs, FSU, presented information about the:

- Online degree programs in criminal justice, sociology, and psychology
- Articulation agreement that allows Special Operations soldiers to transfer seamlessly from FTCC into an Intelligence Studies Program at FSU
- A Veterans Student Services Center

LTC Ed Pethan and LTC Darrell Lockhart presented information about:

- Army and Air Force ROTC programs

Dr. Terri Moore Brown, Chair, Department of Social Work, presented information about the:

- FSU-Army Master of Social Work program designed to increase the number of social workers in the military

Robert Rehder presented information about the:

- Veterans Business Outreach Center to assist veterans in the start-up, successful operation, and expansion of veteran-owned small businesses.

Chancellor James Anderson presented information about the:

- Center for Defense and Homeland Security to foster STEM education and research to support the mitigation of natural and man-made disasters in the United States

February 27, 2012

The Committee met on February 27 in the Jacksonville City Hall Council Chamber and Michael Lazzara, Mayor Pro-Tem welcomed the members of the Committee to the City of Jacksonville. Sheila Pierce, Executive Director, Jacksonville Onslow Economic Development Commission, presented information about the issues affecting the City of Jacksonville, Onslow County and other surrounding counties that are important factors for preserving the presence of the military in the community, including encroachment,

quality of life issues and infrastructure needs. Anthony Prinz, Jacksonville Metropolitan Planning Organization, presented information about regional transportation planning. He mentioned that Jacksonville was the largest city in the State and Camp LeJeune is the largest military installation without direct connectivity to the interstate highway system. He also discussed other issues related to rail connectivity, interstate connectivity and traffic congestion around Camp LeJeune.

Donna Anders, advocate for children with disabilities, made a presentation about her experiences as a parent of a son with autism and her struggle to find someone to provide Applied Behavior Analysis (ABA) services for him. TRICARE insurance requires these services to be supervised by Board Certified Behavior Analysts and delivered by Board Certified Assistant Behavior Analysts. However, North Carolina law classifies ABA under the umbrella of "psychological services" so only a licensed psychologist can provide or oversee ABA services.

SGM Joe Houle, USMC (Ret) presented information about plans to construct and raise funds for The Museum of the Marine to honor the contributions of the Marine Corps units and the communities that have hosted them in the State since 1941. SGM Houle also informed the Committee about the economic impact to the City of Jacksonville from visitors to the museum.

Mrs. Finney Greggs, Assistant Director, Montford Point Marines Museum spoke about upcoming improvements to the Museum. The mission of the Museum is to collect and display the largest collection of photographs, papers, and other artifacts that document the legacy of the Montford Point Marines. Montford Point was the only Marine Corps boot camp for African Americans during WWII.

Michael Archer, Legal Assistance Director, Marine Corps Installations East, presented a number of issues affecting service members that could be addressed with legislative statutory changes. The issues included: lease termination when a service member dies and auto financing.

Dr. Ron Lingle, President, Coastal Carolina Community College, spoke about the relationship between the college and the military in Jacksonville. He said that it was a priority for the college to have the best relationship with the military and the Onslow County community.

March 26, 2012

The Committee met on Monday, March 26, 2012, at 2:00 PM in Room 415 of the Legislative Office Building and discussed the following issues:

- Lease termination upon the death of a soldier on active duty
- Extending North Carolina's lemon law to cover vehicles sold out of state
- Debt collectors obtaining the right to contact a servicemember's C.O. after credit card default
- Conditional auto sales
- Insufficient school counselors in school districts with military personnel
- Requirement that certified counselors for autistic children be supervised by licensed and certified psychologists

- Expanding the motorcycle insurance discount to members of the military who complete a federally certified motorcycle safety program
- Increasing the property tax exemption for totally disabled veterans

April 24, 2012

The Committee met on Tuesday, March 24, 2012 at 10:00 AM in Room 414 of the Legislative Office Building. The Committee met to consider whether to adopt the draft "Report to the 2012 Regular Session of the 2011 General Assembly" in part or in whole.

FINDINGS AND RECOMMENDATIONS

FINDING 1

The Committee finds that:

- Federal and State law allow a service member to terminate a lease upon receipt of notice of deployment or permanent change of station. There are no provisions which would allow for the service member's family or estate to seek the termination of the lease if the service member dies while on active duty.
- The unexpected death of a service member should qualify for lease termination as the unexpected transfer or deployment currently qualifies.

RECOMMENDATION 1

The Committee recommends that:

- Death of a service member while on active duty be added to the qualifying circumstances for the termination of a lease of the service member. The lease of an unrelated co-tenant should not be affected.
- The bill attached as 2011-RK-49, which amends the lease termination statute, should be adopted by the General Assembly.

FINDING 2

The Committee finds that:

- Some military customers sign a retail sales and financing contract believing they have purchased a car under the terms in the contract. However, the actual contract may be conditional upon obtaining the financing rate in the contract. In some instances, the customer may be told that financing has "fallen through" and they will have to purchase the vehicle at a higher rate. Some customers have been told that their trade-in has been sold, and that they must finance the car at a higher rate.
- Conditional sales are not confined to the military; they would apply to all retail sales of vehicles. There have been hearings before the Federal Trade Commission concerning conditional sales, and there may be additional regulations promulgated that are applicable to vehicle dealers.
- There is a statute which provides rules for conditional sales in North Carolina that provides protections to consumers.

RECOMMENDATION 2

The Committee recommends that:

- There should be further study of the issue of conditional sales, and monitoring of the actions of the Federal Trade Commission.
- Consumers in North Carolina should receive sufficient and timely notice of their rights when a sale is conditional, and a separate and specific notice should be provided to the prospective purchaser at the time the contract is executed.

- The bill attached as 2011-RK-50, which amends the conditional sales statute, should be adopted by the General Assembly.

FINDING 3

The Committee finds that:

- Regional Military Family Counselors provide assistance to military students dealing with the stress of family relocation, deployment of a parent, or transition to a new school environment.
- The number of military students and the deployment tempo in the Onslow County Public School System and the Cumberland County Public School System is greater than in the other two school systems with Regional Military Family Counselors.
- The Committee finds that additional Regional Military Family Counselors should be allocated to the Onslow County Public School System and the Cumberland County Public School System based on the number of military students in those two school systems.

RECOMMENDATION 3

The Committee recommends that:

- Five additional Regional Military Family Counselors be funded to serve the military students in the Onslow County Public School System and the Cumberland County Public School System. Two of the Regional Military Family Counselors shall work in the Onslow County Public School System and three of the Regional Military Family Counselors shall work in the Cumberland County Public School System.
- The bill attached as 2011-RJza-5, which appropriates funds for five additional Regional Military Family Counselors, should be adopted by the General Assembly.

FINDING 4

The Committee finds that:

- More military children have some form of autism spectrum disorder than the general population of children in the United States.
- TRICARE, the military health care program, provides intensive Applied Behavioral Analysis (ABA) support as a benefit to active military families.
- TRICARE, requires that ABA services are supervised by Board Certified Behavior Analysts and delivered by Board Certified Assistant Behavior Analysts.
- State law classifies ABA under the umbrella of "psychological services" so only a licensed psychologist can provide or oversee ABA services.

RECOMMENDATION 4

The Committee recommends that:

- Board Certified Behavior Analysts and Assistant Behavior Analysts be allowed to offer ABA services within the scope of practice authorized by the Behavior Analyst Certification Board without supervision by a licensed psychologist.
- The bill attached as 2011-RJz-7, which amends the North Carolina Psychology Practice Act, should be adopted by the General Assembly.

FINDING 5

The Committee finds that:

- The statutory motorcycle insurance discount allowed for individuals who complete a motorcycle safety program through the community college system does not include military service members who complete a safety course through the federal government.

RECOMMENDATION 5

- G.S. 58-36-65 should be expanded to allow a motorcycle insurance discount for those who complete a comparable motorcycle safety program provided by federally certified instructors for members of the military.
- The bill attached as 2011-THz-16, which amends the statute to allow a motorcycle insurance discount for members of the military who complete a comparable motorcycle safety program provided by federally certified instructors, should be adopted by the General Assembly.

COMMITTEE MEMBERSHIP

2011-2012

Speaker of the House of Representatives Appointments:

Rep. Bill Cook (Co-Chair)
Rep. Phil R. Shepard (Co-Chair)

Rep. Larry M. Bell
Rep. George G. Cleveland
Rep. D. Craig Horn
Rep. Ric Killian
Rep. Grier Martin
Rep. Diane Parfitt
Rep. Norman W. Sanderson
Rep. John A. Torbett

COMMITTEE CHARGE/STATUTORY AUTHORITY

TO THE HONORABLE MEMBERS OF THE NORTH CAROLINA HOUSE OF REPRESENTATIVES

Section 1. The House Select Committee on Military Affairs (hereinafter "Committee") is established by the Speaker of the House of Representatives pursuant to G.S. 120-19.6(a1) and Rule 26 of the Rules of the House of Representatives of the 2011 General Assembly.

Section 2. The Committee consists of the 9 members listed below, appointed by the Speaker of the House of Representatives. Members serve at the pleasure of the Speaker of the House of Representatives. The Speaker of the House of Representatives may dissolve the Committee at any time.

Representative Bill Cook, Co-Chair
Representative Phil Shepard, Co-Chair
Representative Ric Killian
Representative George Cleveland
Representative Craig Horn
Representative John Torbett
Representative Larry Bell
Representative Diane Parfitt
Representative Grier Martin

Section 3. The Committee may examine any issues related to supporting and strengthening the military's presence in North Carolina, including military-related industries, as well as ways the State can support individual servicemen and their families.

Section 4. The Committee shall meet upon the call of its Co-Chairs. A quorum of the Committee shall be a majority of its members.

Section 5. The Committee, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and Article 5A of Chapter 120 of the General Statutes.

Section 6. Members of the Committee shall receive per diem, subsistence, and travel allowance as provided in G.S. 120-3.1.

Section 7. The expenses of the Committee including per diem, subsistence, travel allowances for Committee members, and contracts for professional or consultant services shall be paid upon the written approval of the Speaker of the House of Representatives pursuant to G.S. 120-32.02(c) and G.S. 120-35 from funds available to the House of Representatives for its operations.

Section 8. The Legislative Services Officer shall assign professional and clerical staff to assist the Committee in its work. The Director of Legislative Assistants of the House of Representatives shall assign clerical support staff to the Committee.

Section 9. The Committee may submit an interim report on the results of the study, including any proposed legislation, on or before May 1, 2012, by filing a copy of the report with the Office of the Speaker of the House of Representatives, the House Principal Clerk, and the Legislative Library. The Committee shall submit a final report on the results of its study, including any proposed legislation, to the members of the House of Representatives prior to the convening of the 2013 General Assembly by filing the final report with the Office of the Speaker of the House of Representatives, the House Principal Clerk, and the Legislative Library. The Committee terminates upon the convening of the 2013 General Assembly or upon the filing of its final report, whichever occurs first.

LEGISLATIVE PROPOSALS

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

U

D

BILL DRAFT 2011-RK-49 [v.3] (04/05)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/23/2012 11:29:35 AM

Short Title: Active Duty Death/Lease Termination.

(Public)

Sponsors:

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE LEASE TERMINATION FOR A SERVICE MEMBER
WHO DIES WHILE ON ACTIVE DUTY AS RECOMMENDED BY THE HOUSE
SELECT COMMITTEE ON MILITARY AFFAIRS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 42-45 reads as rewritten:

"§ 42-45. Early termination of rental agreement by military personnel, personnel,
surviving family members, or lawful representative.

(a) Any member of the Armed Forces of the United States who (i) is required to move pursuant to permanent change of station orders to depart 50 miles or more from the location of the dwelling unit, or (ii) is prematurely or involuntarily discharged or released from active duty with the Armed Forces of the United States, may terminate the member's rental agreement for a dwelling unit by providing the landlord with a written notice of termination to be effective on a date stated in the notice that is at least 30 days after the landlord's receipt of the notice. The notice to the landlord must be accompanied by either a copy of the official military orders or a written verification signed by the member's commanding officer.

(a1) Any member of the Armed Forces of the United States who is deployed with a military unit for a period of not less than 90 days may terminate the member's rental agreement for a dwelling unit by providing the landlord with a written notice of termination. The notice to the landlord must be accompanied by either a copy of the official military orders or a written verification signed by the member's commanding officer. Termination of a lease pursuant to this subsection is effective 30 days after the first date on which the next rental payment is due or 45 days after the landlord's receipt of the notice, whichever is shorter, and payable after the date on which the notice of termination is delivered.

(a2) Upon termination of a rental agreement under this section, the tenant is liable for the rent due under the rental agreement prorated to the effective date of the termination payable at such time as would have otherwise been required by the terms of the rental agreement. The tenant is not liable for any other rent or damages due to the early termination of the tenancy except the liquidated damages provided in subsection

1 (b) of this section. If a member terminates the rental agreement pursuant to this section
2 14 or more days prior to occupancy, no damages or penalties of any kind shall be due.

3 (a3) If a member of the Armed Forces of the United States dies while on active
4 duty, then an immediate family member, or a lawful representative of the member's
5 estate, may terminate the member's rental agreement for a dwelling unit by providing
6 the landlord with a written notice of termination to be effective on the date described in
7 subsection (a1) of this section. A copy of the death certificate must accompany the
8 notice for this subsection to be effective. If the member was a co-tenant with a person
9 who is not an immediate family member, then the termination shall relate only to the
10 obligation of the member under the rental agreement. The prorated charges in
11 subsection (a2) of this section, and the liquidated damages provisions of subsection (b)
12 of this section shall apply to any claims against the member's estate. This subsection
13 shall not be effective if the death of the member was due to willful misconduct, and
14 there shall be a rebuttable presumption that the member's death was not due to willful
15 misconduct.

16 (b) In consideration of early termination of the rental agreement, the tenant is
17 liable to the landlord for liquidated damages provided the tenant has completed less than
18 nine months of the tenancy and the landlord has suffered actual damages due to loss of
19 the tenancy. The liquidated damages shall be in an amount no greater than one month's
20 rent if the tenant has completed less than six months of the tenancy as of the effective
21 date of termination, or one-half of one month's rent if the tenant has completed at least
22 six but less than nine months of the tenancy as of the effective date of termination.

23 (c) The provisions of this section may not be waived or modified by the
24 agreement of the parties under any circumstances. Nothing in this section shall affect
25 the rights established by G.S. 42-3."

26 **SECTION 2.** This act is effective when it becomes law.
27

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

H

D

BILL DRAFT 2011-RK-50 [v.4] (04/18)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/23/2012 11:31:37 AM

Short Title: Vehicle Conditional Sales/Notice.

(Public)

Sponsors: Representative.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE NOTICE TO CONSUMERS WHEN A CONDITIONAL
3 SALES CONTRACT FOR A VEHICLE IS EXECUTED, AS RECOMMENDED
4 BY THE HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 20-75.1 reads as rewritten:

7 "§ 20-75.1. Conditional delivery of motor vehicles.

8 (a) Notwithstanding G.S. 20-52.1, 20-72, and 20-75, nothing contained in those
9 sections prohibits a dealer from entering into a contract with any purchaser for the sale
10 of a vehicle and delivering the vehicle to the purchaser under terms by which the
11 dealer's obligation to execute the manufacturer's certificate of origin or the certificate of
12 title is conditioned on the purchaser obtaining financing for the purchase of the vehicle.
13 Liability, collision, and comprehensive insurance on a vehicle sold and delivered
14 conditioned on the purchaser obtaining financing for the purchaser of the vehicle shall
15 be covered by the dealer's insurance policy until such financing is finally approved and
16 execution of the manufacturer's certificate of origin or execution of the certificate of
17 title. The dealer shall print the following in Times New Roman 16 point font or other
18 equivalent font and include it in the contract on a separate page, which shall be initialed
19 by the purchaser prior to the execution of the contract:

20
21 **"NOTICE:**

22
23 **CONDITIONAL SALE: THIS IS A CONDITIONAL SALE AND IS SUBJECT TO THE**
24 **PURCHASER OBTAINING FINANCING UNDER THE TERMS OF THE CONTRACT.**

25
26 **INSURANCE: THE DEALER IS OBLIGATED TO CARRY LIABILITY,**
27 **COLLISION, AND COMPREHENSIVE INSURANCE ON THE VEHICLE UNTIL**
28 **THE FINANCING IS APPROVED AND THE MANUFACTURER'S CERTIFICATE**
29 **OF ORIGIN OR THE CERTIFICATE OF TITLE IS EXECUTED.**

1 NO OBLIGATION: THE PURCHASER IS UNDER NO OBLIGATION TO
2 PURCHASE THE VEHICLE IF THE PURCHASER IS UNABLE TO OBTAIN
3 FINANCING UNDER THE TERMS OF THE CONTRACT.

4
5 RETURN OF CONSIDERATION INCLUDING TRADE-IN: IF THE
6 PURCHASER DOES NOT OBTAIN FINANCING UNDER THE CONTRACT
7 TERMS, AND DECIDES NOT TO PURCHASE THE VEHICLE ON OTHER
8 TERMS, THEN THE PURCHASER IS ENTITLED TO THE RETURN OF ANY AND
9 ALL CONSIDERATION PROVIDED TO THE DEALER TOWARDS THE
10 PURCHASE PRICE, INCLUDING A TRADE-IN VEHICLE, REGARDLESS OF
11 THE TIME ELAPSED FROM THE CONDITIONAL CONTRACT OR THE
12 MILEAGE OF THE VEHICLE WHICH WAS THE SUBJECT OF THE
13 CONDITIONAL FINANCING."

14 (b) Upon final approval and execution of the manufacturer's certificate of origin or
15 the certificate of title, and upon the purchaser having liability insurance on another
16 vehicle, the delivered vehicle shall be covered by the purchaser's insurance policy
17 beginning at the time of final financial approval and execution of the manufacturer's
18 certificate of origin or the certificate of title. The dealer shall notify the insurance
19 agency servicing the purchaser's insurance policy or the purchaser's insurer of the
20 purchase on the day of, or if the insurance agency or insurer is not open for business, on
21 the next business day following approval of the purchaser's financing and execution of
22 the manufacturer's certificate of origin or the certificate of title.

23 (c) This ~~subsection~~ section is in addition to any other provisions of law or insurance
24 policies and does not repeal or supersede those provisions."

25 **SECTION 2.** This act becomes effective October 1, 2012, and applies to
26 conditional sales occurring on or after that date.
27

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

H

D

BILL DRAFT 2011-RJza-5 [v.4] (04/17)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/23/2012 10:33:17 AM

Short Title: Regional Military Family Counselors Funds. (Public)

Sponsors: Representative Unknown.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR ADDITIONAL REGIONAL MILITARY
FAMILY COUNSELORS, AS RECOMMENDED BY THE HOUSE SELECT
COMMITTEE ON MILITARY AFFAIRS.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the
Department of Public Instruction the sum of three hundred thousand dollars (\$300,000)
for the 2012-2013 fiscal year to fund five additional regional military family counselors.
Two of the regional military family counselors shall work in the Onslow County Public
School System and three of the regional military family counselors shall work in the
Cumberland County Public School System. The regional military family counselors
shall provide assistance to families in those counties with issues related to deployment
and family relocation. Pursuant to interlocal agreements between local school
administrative units, the counselors shall serve families in similar circumstances in
adjoining counties.

SECTION 2. This act becomes effective July 1, 2012.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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BILL DRAFT 2011-RJz-7 [v.2] (04/20)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/23/2012 10:34:24 AM

Short Title: Exempt Bd Cert. Beh. Analyst/Psych. Practice.

(Public)

Sponsors: Representative Unknown.

Referred to:

A BILL TO BE ENTITLED

AN ACT AMENDING THE NORTH CAROLINA PSYCHOLOGY PRACTICE ACT
TO ALLOW PERSONS CERTIFIED AS BEHAVIOR ANALYSTS AND
ASSISTANT BEHAVIOR ANALYSTS BY THE BEHAVIOR ANALYST
CERTIFICATION BOARD TO PRACTICE BEHAVIOR ANALYSIS AND
THERAPY UNDER CERTAIN CIRCUMSTANCES, AS RECOMMENDED BY
THE HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 90-270.4 is amended by adding a new subsection to read:

"(f1) Nothing in this Article shall be construed to prevent a Board Certified Behavior Analyst (BCBA) or a Board Certified Assistant Behavior Analyst (BCaBA) from offering services within the scope of practice authorized by the Behavior Analyst Certification Board, including behavior analysis and therapy, in accordance with professional standards of the BCBA or BCaBA's certification if (i) the BCBA or BCaBA is properly certified and in good standing with the Behavior Analyst Certification Board and (ii) the BCBA or BCaBA does not hold himself or herself out to the public by any title or description stating or implying that the BCBA or BCaBA is a psychologist or licensed, certified, or registered to practice psychology in this State."

SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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BILL DRAFT 2011-THz-16 [v.3] (04/18)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
4/23/2012 10:56:27 AM

Short Title: Motorcycle Insurance Discount/Military .

(Public)

Sponsors: Representative.

Referred to:

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW MEMBERS OF THE MILITARY WHO HAVE TAKEN A
2 COMPARABLE MOTORCYCLE SAFETY PROGRAM PROVIDED BY
3 FEDERALLY CERTIFIED INSTRUCTORS TO RECEIVE THE SAME
4 MOTORCYCLE INSURANCE DISCOUNT AS CITIZENS WHO COMPLETE
5 THE MOTORCYCLE SAFETY INSTRUCTION PROGRAM, AS
6 RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON MILITARY
7 AFFAIRS.
8

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 58-36-65 is amended to read:

11 "(m) Notwithstanding any other provision of law, with respect to motorcycle
12 insurance under the jurisdiction of the Bureau, any member of the Bureau may apply for
13 and use in this State, subject to the Commissioner's approval, a downward deviation in
14 the rates of insureds who show proof of satisfactory completion of the Motorcycle
15 Safety Instruction ~~Program~~ Program, or a comparable motorcycle safety program
16 provided by federally certified instructors for members of the military."

17 **SECTION 2.** This act is effective October 1, 2012, and applies to policies in
18 force on or after that date.