

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

S

2

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

Short Title: Study Military Economic Zones.

(Public)

---

Sponsors:

---

Referred to:

---

March 13, 2019

A BILL TO BE ENTITLED

1 AN ACT TO DIRECT THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS  
2 AND THE DEPARTMENT OF COMMERCE TO STUDY THE CREATION OF  
3 ECONOMIC ZONES AROUND COMMUNITIES THAT HOST MILITARY  
4 INSTALLATIONS AND DEPARTMENT OF VETERANS AFFAIRS HOSPITALS THAT  
5 ARE LOCATED MORE THAN 150 MILES FROM MILITARY INSTALLATIONS IN  
6 THIS STATE.  
7

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

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

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

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

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

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

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

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

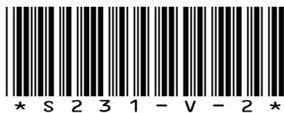
24       Whereas, it is in the best interest of the State to support the economic growth of the  
25 communities that surround and support our military installations; and

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

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

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

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



\* S 2 3 1 - V - 2 \*

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

4 The General Assembly of North Carolina enacts:

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

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

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

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