



SENATE BILL 231: Study Military Economic Zones.

2019-2020 General Assembly

Committee:	Senate Rules and Operations of the Senate	Date:	March 28, 2019
Introduced by:	Sens. D. Davis, Brown, Perry	Prepared by:	Jessica Sammons*
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: *Senate Bill 231 would require the Department of Military and Veterans Affairs, in collaboration with the Department of Commerce, to conduct a study on the creation of military economic zones around communities that host North Carolina's military installations and Department of Veterans Affairs Hospitals that are located more than 150 miles from a military installation.*

A report with findings and recommendations would be due to the Joint Legislative Oversight Committee on General Government and the Fiscal Research Division on or before January 1, 2020.

BILL ANALYSIS: Senate Bill 231 would require the Department of Military and Veterans Affairs, in collaboration with the Department of Commerce, to conduct a study on the creation of military economic zones around communities that host North Carolina's military installations. A report with findings and recommendations would be due to the Joint Legislative Oversight Committee on General Government and the Fiscal Research Division on or before January 1, 2020. The study must consider the following issues:

- Whether creating economic zones in and around (i) communities that host and support NC military installations, and (ii) Department of Veterans Affairs Hospitals that are more than 150 miles from a military installation is feasible;
- Methods of incorporating existing economic development programs into prospective military economic zones;
- Opportunities to leverage the unique and valuable characteristics of the regions and communities that support the military installations;
- Creation of synergy between the various Department of Commerce entities that specialize in economic development and the North Carolina Military Affairs Commission;
- Criteria used for previous BRAC processes and the extent to which economic development initiatives can bolster efficiency and effectiveness of the military installations in advance of future BRAC recommendations.
- Best practices in other states for economic development for communities hosting military installations.

EFFECTIVE DATE: This act would be effective when it becomes law.

BACKGROUND: Since 1988, more than 350 military installations have been closed or realigned under the federal Base Realignment and Closure (BRAC) process. The most recent BRAC process was in 2005. In that process, in North Carolina, Pope Air Force Base was realigned with Fort Bragg.

The selection criteria used in the 2005 BRAC process was as follows:

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

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Military Value (Given Priority Consideration)

1. The current and future mission capabilities and the impact on operational readiness of the Department of Defense's total force, including the impact on joint warfighting, training, and readiness.
2. The availability and condition of land, facilities and associated airspace (including training areas suitable for maneuver by ground, naval, or air forces throughout a diversity of climate and terrain areas and staging areas for the use of the Armed Forces in homeland defense missions) at both existing and potential receiving locations.
3. The ability to accommodate contingency, mobilization, and future total force requirements at both existing and potential receiving locations to support operations and training.
4. The cost of operations and the manpower implications.

Other Considerations

5. The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs.
6. The economic impact on existing communities in the vicinity of military installations.
7. The ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel.
8. The environmental impact, including the impact of costs related to potential environmental restoration, waste management, and environmental compliance activities.

**Kristen Harris, counsel to Senate Commerce and Insurance, substantially contributed to this summary.*