

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

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**SENATE BILL 231  
Commerce and Insurance Committee Substitute Adopted 3/27/19  
House Committee Substitute Favorable 6/26/19**

Short Title: Study Military Economic Zones.

(Public)

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Sponsors:

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Referred to:

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March 13, 2019

A BILL TO BE ENTITLED

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

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

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

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

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

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

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

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

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

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

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

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

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



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

4 The General Assembly of North Carolina enacts:

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

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

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

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