

Minutes of Legislative Affairs Committee Meeting – July 20, 2015

MEMBERS PRESENT:

Senator Harry Brown
Senator Norman Sanderson
Representative George Cleveland
Bill Hatcher (by Phone)

MEMBERS NOT PRESENT:

Rep. John Bell
Sen. Wesley Meredith
Efton Sager
Jeremiah Daniels

OTHERS IN ATTENDANCE:

Cornell Wilson Jr.
Paul Dordal
Janet Bradbury
Shelia Pierce
Sebastian Montagne
Robert Hosford
Ron Massey (by Phone)
Sally-Ann Gupta
Whitney Christensen
Paul Friday (By Phone)

Call to Order/Opening Remarks:

Senator called the meeting to order at 12:00pm and determined there was quorum.

Reading and Approval of Previous Meeting Minutes

Bobby Lumsden read the minutes of the meeting conducted on April 29, 2015. There was no further discussion concerning the meeting.

Updates and Reports

Senator Brown opened the updates any reports by providing an update of the military and veteran related bills brought before the General Assembly during the current session.

- **S43 (H319):** CDLs for Veterans Revisions, allows the Division of Motor Vehicles to extend the period immediately preceding the date of application from 90 days to one year in which a qualified military veteran is exempt from certain skills tests. **This bill is now law – S.L. 2015-7.**

- **S105:** Include No. Veterans Employed/Annual Report: This bill requires companies or limited liability companies to provide an annual report to the Secretary of State detailing how many veterans they employ each year. This bill passed the Senate in late March, but appears as if it will not make it through the House due to concerns from Business community. **Senator Brown is proposing an amendment that would have an extra line added to the state tax form that ask residents filing taxes if they are a veteran. This would place the NC Department of Revenue in charge of reporting the information to the NC Division of Veteran Affairs.**
- **S106,** Modify Farmland Preservation T.F. Match: 1 million dollars has been placed in the Base Budget for the Agriculture and Farmland Task Force designated for buffers / protection of military installations. Additionally, \$1 million in grant money was appropriated to NC DENR's Clean Water Management Trust Fund in support of buffers around military bases. **This has been placed in both the Senate and House Budget and is likely to remain.**
- **S250:** Restore Aid to County Veterans Services: dedicates \$200,000 of funds allocated to the Division of Veterans Affairs to make contributions to counties for the maintenance and operation of county veterans service programs. This language was included in the Senate version of the budget – House Bill 97. **It is likely to remain in H97 once the final version is passed and moved to the Governor to sign into law.**
- **S368:** DOD-Certified Child Care & State Subsidy: Bill allows DoD Childcare facilities to participate in reimbursements from NC DHHS for pre-K programs and low income families. Some concerns that were expressed by DHHS is the removal of the requirement for monitoring visits (i.e. inspections) while still requiring them to license a DoD facility. Doing this may remove some of the federal reimbursements. **Bobby Lumsden, was instructed to confirm the issues with DHHS and report back to the committee members.**

UPDATE: Bobby Lumsden reported back to the committee via email on July 21, 2015 that S368 edition 2 and the language in H97 edition 7 is exactly what both the DHHS and Installations in the state have agreed upon.

- **H97:** 2015 Appropriation Bill, Items not mentioned above include:
 - BRAC - \$1.675 million (NR) for FY 2015-16 in funding for the NCMAC, strategic planning, and economic modeling for the purpose of increasing value at and around installations, and advocacy at the federal level. The funds will be placed in a special fund, per the Senate budget proposal. There was some discussion about the restriction that doesn't allow any of the funds to be used for grants to local communities and military

installations. However, no recommendations to change that restriction was moved forward. **The funding and language as currently reads in H97 will likely remain bill that is passed and presented to the Governor to sign into law.**

- Standing up the NC Department of Military and Veteran's Affairs is in both the Senate and the House Budget bills with little differences between the two. **It is likely that it will remain in the bill that is passed and presented to the Governor to sign into law.**

Senator Brown then turned the floor over to Commission Vice Chair Paul Dordal to address issues from other Committees, the Full Commission, and the Top Priorities:

- Status of Bonds, specifically military related projects within the bonds:
 - Senator Brown stated the senate is in favor of getting rid of the transfer from the highway fund to the general fund. This, in addition to increase rates for registrations, licenses, and other fees, will result in nearly \$300 million additional per year into the highway fund which will eliminate the need for the transportation bond entirely. As for the infrastructure bond package, the senate seems to be in favor of a smaller package closer to \$1 Billion instead of the \$2.1 in the Governor's request.
 - Representative Cleveland stated Speaker Moore and others are considering several options including a total bond proposal (instead of two separate bond proposals). The primary concern among members of the house is the amount of funds used to service the debt, with the sentiment among some members being if the state were to set aside the funding over the next ten years, we could effectively do the same thing without incurring such a large debt with associated costs for financing and management.
 - The general "feeling" is some form of bond(s) for capital improvement is more likely, but there is still a fair amount of work to come to a resolution.
- Establishing Legislative Committee for Defense and Homeland Security: This has already been established in the House and is likely to be established in the Senate for future general assembly sessions.
- Establish a military Caucus in Senate and the House: Senator Brown stated there is a joint caucus for Military and Veterans currently, but will meet with other members in the Senate and House to see if they want to establish a more formal arrangement with regular meetings.
- NCMAC Priority List:

- Strategic plan and actions to support and protect NC military installations from downsizing or closure (Matrix is finalizing 2nd draft for discussion at ESG on Aug 4). Some actions include the below:
 - Engaging with key decision makers in Congress and Pentagon
 - Maintaining 440th at Pope Field; number of Apaches in the NCNG; KC-46 Reserve unit beddown at SJAFB; Pedro at Cherry Pt; additional missions at Cherry Pt
 - Input to NDAA: Army end-strength; EW ranges;
 - Concise messaging for Governor's visit with service chiefs

- Coordination with NC Working Lands Group to avoid incompatible development
 - Regional JLUS has been added onto the contract for the Strategic plan. This will include a study on the next generation range requirements, a concept for joint operations
 - Hoffman Forest military usage
 - Paul Friday provided a brief update concerning the sale. The NC State Foundation is continuing to consider its options, but everything seems favorable to maintain a majority of the forest as conservation land.
 - The Military Mission Footprint map has been received from OSD. The red, yellow and green mapping (a.k.a. compatible use mapping) has been added to the contract for the Strategic Plan and the preliminary work has begun.
 - REPI challenge
 - Robert Hosford from NC Department of Agriculture reported the packet for the state was submitted. The results were expected to be published by July 7, 2015 but have been pushed off until early August. The state presented a comprehensive plan that requested all \$8 million that was available in the challenge.

- Support in-state tuition for military affiliated students: **New legislation has been passed, as such this should be removed from the top priorities list**

- Develop economic development opportunities associated with logistics and supply chain support for military aircraft (ex: JSF) and aviation equipment.
 - The Economic Development Committee is still working this with the Economic Development Partnership of North Carolina.

- Improve High Structures/Wind turbine farm legislation that affects Military Installations, Training, or Operations: **No changes proposed to current legislation.**

- Coordinate and assist with transportation infrastructure issues affecting military installations. There is a new section on NCDOT website for projects affecting military bases; improved scoring for STIP.
- Integrate Veterans, Guard, Reserve, and military dependents into NC workforce. The new legislation passed for certifying military training and experience for NC jobs will continue to reinforce this effort.
- Leverage Federal, State, and Local funds for National Guard Infrastructure Improvement and Veteran / Service Member Programs.
 - Senator Brown stated there is funding dedicated in the base budget and Paul Dordal also spoke concerning the proposed project in the infrastructure bond.
 - Bobby Lumsden spoke concerning the regional readiness centers and the hub and spoke concept the NCNG is seeking to achieve.
 - Senator Brown asked what federal funding has already been dedicated to the projects. **Bobby Lumsden was tasked with getting the actual amount of funding from the federal government and other sources have been received or has been promised.**

FOLLOW UP: The NCNG has received or been notified they will receive funding for the spoke armories. The amount depends on each project and is from 50% to 75% of total costs. However, the regional armories (hubs) have not received any federal funding to date, as they must make it through the MILCON process which may take 5 to 10 years. A detailed summary and spreadsheet was forwarded to each member on the committee on July 22, 2015.

- Coordinate for state funding and support for 911 Call Centers on military installations and establish Joint 911 Call Centers with local communities where appropriate.
 - **The NCMAC needs to follow back up with the 911 board to present the Public-Public partnership option.**
- Coordinate State certification for military Child Care Centers located on installations. **Discussion on S368 already covered this issue.**
- Waive fees for annual certifications for firefighters and EMT personnel.
 - Need approximately \$450k annual requirement to meet this obligation for the installations.
 - The Community College System stated they cannot waive the fees associated with this.
 - Senator Brown stated he would see if there were funding that could be used to appropriate toward this, but it wasn't included because after working all of the other priorities it fell outside of requirements. He will

go back and see if there is room to add it back into the budget, but it may have to be reconsidered in future sessions.

NEW BUSINESS

Following the conclusion of Paul Dordal's review and report; Senator Brown asked for any new business.

Concerns from Local Military Support Organizations:

- Senator Brown stated that most member had read the letters and other correspondents concerning the NCMAC not keeping the local communities informed. He asked if it was a communication issue.
- Bobby Lumsden stated he felt that a majority of the issues could be handled with a more effective communications plan. He further stated he had met the staff from many of the local military support organizations to provide them with briefings on the NCAMC process, federal and state legislative priorities of the NCMAC, and allow them the opportunity to provide insight and feedback.
- Paul Dordal stated the NCMAC leadership has been in constant communication the local organization that voiced the concern, and felt that the NCMAC efforts to communicate were more than adequate.
- Senator Brown stated it seems to be more of an issue concerning being able to review and provide their input into the strategic plan. Paul Dordal reiterated the focus is at the federal level and ensuring the right messages are being carried to the decision makers in the Administration, Congress, and DoD Leadership. He further stated the Strategic Plan has completed the first draft review, following the second draft review it will be present to the full commission, and then portions will be presented to the local communities for review and feedback. The local military support organization will get a chance to review, but it is not time for that yet.

Jacksonville Regional Airport needs a Tower:

- Senator Brown stated he had been approached by the Jacksonville and Onslow County leadership concerning the need for a tower at the Jacksonville Regional Airport. He asked if this would increase the Military's ability to use the runway and airport.
- Paul Dordal stated it would depending on weather conditions and other things it could allow the runway to remain open during times that it would be closed now.

- Ron Massey and Shelia Pierce spoke concerning the additional economic opportunity that could potentially come to the area if the airport had a tower.
- The approximate cost is \$4.5 million, in which the FAA would fund \$2 million, the local community would fund \$500 thousand, which would leave a \$2 million requirement. They are seeking the state to fund the remaining requirement.

No further new business was heard. Senator Brown asked for a motion to adjourn, which was heard with no discussion then voted on unanimously.

Meeting adjourn at 1:16pm