



## **NORTH CAROLINA MILITARY AFFAIRS COMMISSION**

### **Minutes of the 3<sup>rd</sup> Quarter Legislative Affairs July 23, 2020**

**Microsoft Teams/Conference Call #: 984-204-1487 Conference ID: 417 661 445#**

#### **MEMBERS PRESENT:**

Sally-Ann Gupta AR for Sen Harry Brown  
ET Mitchell  
Paul Friday  
Mayor Chuck Allen  
John Broome AR for Rep John Bell

#### **ADDITIONAL ATTENDEES:**

Jamie Norment, Ward & Smith  
Ed Turlington, Brooks Pierce  
Bryan Ayers, MCI-E  
Paul Berry, DMVA  
Kelly Jackson, DMVA

#### **MEMBERS ABSENT:**

Senator Harry Brown  
Rep George Cleveland

#### **CALL TO ORDER, WELCOME REMARKS:**

Ms. Sally-Ann Gupta chaired today's meeting on behalf of Senator Brown. Sally-Ann Gupta called the meeting to order at 10:00 am. She conducted a roll call of attendees. They had 3 of 6 committee members in attendance which was not a quorum.

#### **NEW LEGISLATION:**

Sally-Ann Gupta said that for today she had gone through the legislation that had been considered or passed. She focused on what has been signed into law most recently. If they tried to look at everything that got stalled in one committee or another they would be discussing this all morning. She has focused on what she thinks the NC Military Affairs Commission (NCMAC) would be interested in and signed into law. The first thing she wanted to highlight was the following.

#### **House Bill 1053/Senate Bill 717 signed into law on July 2, 2020.**

Entitled Program Evaluation Division (PED) which is a division of the General Assembly.

PED/Military Occupational Licensure (OL) & Audiology Interstate Compact

This bill will implement recommendations for Program Evaluation Division regarding ways to improve the occupational licensure process for military trained applicants and military spouses. This makes North Carolina a member of the Interstate Compact for Audiology and Speech Pathology. The PED, when they studied the issue they made several recommendations in order to ease the burdens on military trained applicants and military spouses in obtaining their occupational licensure. There recommendations included requiring the Occupational Licensing Board (OLB) to implement an expedited application process for military spouses. Requiring OLBs to promote military licensure provisions so that military trained applicants and their spouses are availed opportunities that the legislation provides and requiring the OLBs to annually report on the number of military trained

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applicants and the military spouses licensed pursuant to NC General Statute 93B-15.1 and the number of military trained applicants and military spouses who were denied licensure. It further does the following. It would require an OLB to issue a license certification or registration no later than (NLT) 15 days to a military trained applicant or military spouse that has satisfied their requirement for licensure. It would shorten the time period for a board to provide notice to an applicant from 30 days to 15 days if that applicants training or experience does not satisfy the requirement for licensure or if they have a pending complaint in another jurisdiction which would constitute grounds for denial of licensure in the State. It would also require that NLT 15 days after applying for a temporary practice permit be issued to an applicant who is licensed, certified, or registered in another jurisdiction while they are satisfying their requirement for licensure. So, at least they would have a temporary provisional license. It would expand existing licensing provisions for military trained applicants and military spouses to OLBs to include state agency licensing boards. It would also require the DMVA to publish information on its website related to veterans and military spouses and require the OLBs to submit electronically every year relevant data on the number of applicants, licenses granted and reasons for denial in an annual report. This should be very helpful legislation.

The second section of that bill, the Audiology and Interstate Compact would also provide active duty military personnel or their spouse, to designate a home state where the individual has a current license and is in good standing and the individual may retain that home state designation during the period in which the service member is on active duty. When thinking about that she thought that if you have someone in good standing of one state and their dues are lower in that state than in NC then they can just retain their home state designation and could provide some benefit for them. The Compact is effective when at least 10 states have enacted the Interstate Compact for Audiology and Speech Pathology.

**Senate Bill 681, signed into law on July 1, 2020.**

An Act Enacting Agency Policy Directives for the 2019-2021 Fiscal Biennium.

It also clarifies that parties to an intergovernmental support agreement with a major military installation that operates a Public Safety Answering Point (PSAP) can use 911 funds for the next generation 911 system compatibility. This was a lengthy bill. She extracted what was germane to this Commission or of interest to this Commission.

One of the things that it now does is creates a searchable database of military credit equivalencies for the UNC system. Part III. Section 3.2, The University of North Carolina System in collaboration with the North Carolina Community College System through the Military Credit Advisory Council shall create a searchable database of military credit equivalencies to better serve military affiliated students and to complete the initial phase of military credit evaluations. There has been plenty of discussions from the NCMAC about how to get the Community College System and UNC to better translate military training into educational credits. So, by creating that searchable database, that will certainly help and will streamline that process. It also establishes in Part III-A University/Education Assistance Authority need based scholarships for private institutions/dependents of veterans and active duty military. This applies to private universities in the state and calls for individuals who are a dependent relative of a veteran who is abiding in NC while sharing an abode with that veteran and the dependent relative provides to the eligible post-secondary institution, a letter of intent to establish residence in NC. Individuals who

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meet that criteria would qualify for need-based scholarships at private universities. Also, if they are the dependent relative of an active duty member of the armed forces who are abiding in NC incident to active military duty while they share an abode or residence with that active member. This is new language. Individuals who meet those criteria now qualify for need-based scholarships at private institutions in NC.

The Public System Answering Point (PSAP): The distributions received by PSAPs may be used to pay for the following. This is new language, Section 12.4.(a). Any cost incurred by a city or county that operates a PSAP to comply with the terms of an Intergovernmental Support Agreement (IGSA) and if all of the following apply. (a) A city or county or both have an IGSA under federal law 10 US Code Section 2679, with a major military installation as defined in GS 143-215.115 that operates a PSAP. (b) The IGSA permits the parties to serve as a backup PSAP or secondary PSAP for each other's 911 system. (c) The costs aid the PSAP operated by the city or county to establish and maintain the maximum amount of Next Generation 911 system compatibility with the PSAP operated by the major military installation. Application to Major Military Installations: If a PSAP is a party to the IGSA under 10 US Code Section 2679 which includes a PSAP operated by a major military installation, as defined in GS 143-215.115, the 911 board shall treat the IGSA under 10 US Code Section 2679 as an interlocal agreement under subdivision (a)(3)e. of this section for purposes of funding any city or county that is a party to the IGSA in the funding formula under subdivision (a)(3) of this section.

Also, in this legislation it provided the authorizing language for the Military Presence Stabilization Fund which is authorizing language for the funding for the NC Military Affairs Commission. That is everything from that bill. (section XVII)

**Senate Bill 801 Appropriate funds to the Military Presence Stabilization Fund signed into law on June 19, 2020. Senators Brown, Harrington and Jackson sponsored the bill**

Section 1: By August 15, 2020, the Department of Commerce shall transfer the sum of two million dollars (\$2,000,000) in nonrecurring funds from the cash balance in the Film and Entertainment Grant Fund (Budget Code: 24609; Fund Code: 2590) to the Department of Military and Veterans Affairs (Budget Code: 13050; Fund Code: 1400) for deposit in the Military Presence Stabilization Fund established in G.S. 143B-1217. The funds transferred in this act are appropriated for the 2020-2021 fiscal year and shall be used to sustain and maintain the State's military installations, updates to strategic planning, federal advocacy, and identification of measures to increase the military value of installations.

This is something that was not passed but it always comes up. It was not passed but she wanted to let everyone know where this stands. **The bill is Senate Bill 188 and titled Military State Income Tax Relief.** That was sponsored by Senator Burgin. It passed the first reading and then went to Senate Rules, March 6, 2019. Perhaps in the next long session, it is something that can be revisited. Everyone always wants to know what is going on with legislation on State Income Tax Relief. It did include provisions stating that calculating NC taxable income, that a tax payer may deduct from their deducted gross income any of the following items that are included, to include the amount received during the taxable year from the US government as retired pay for a retired member of the armed forces. Or the survivorship benefits of active duty or retired members of the US armed forces. The amount received as

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military pay by an active service member of any branch of the armed forces of the US for a period of time the service member is not present in this state, if the service member is a NC resident and the service member is not present in the state solely in compliance with military orders reassigning them to a permanent duty station outside of the state.

**Scholarships for Children of Wartime Veterans signed into law on January 16, 2020**

It gave the Department of Military and Veterans Affairs the sum of \$2,400,000 recurring funds for each year of the 2019-2021 biennium for students receiving a NC scholarship for children of wartime veterans.

**Senate Bill 706 and House Bill 1047 Educational Changes for Military Connected Students**

She has been unable to get clarification on what happened with these bills. This was the bill that authorized student attendance in a local school administrative unit for children of active duty military due to military orders of the parent. It clarified continues enrollment for high school students who are dependents of military personnel once they are admitted to a state university. This is the bill that came pursuant to resolutions adopted by the NC Military Affairs Commission. They also originated in the Quality of Life committee. We crafted legislation to target those items. It passed the Senate and then went to the House. There was a House Education committee substitute that was adopted on July 8. Then it came back over to the Senate and the House Proposed Committee Substitute (PCS) was adopted. The House PCS stripped all of the language out and made it a vehicle for some unrelated technical corrections. Now it sits in the Senate Rules committee with a new title. She is not sure how that bill got where it is today. She thinks that Rep Cleveland could have some insight on how all of that transpired. This bill can find new life in the next long session. She said that she was not sure if anyone had any objection to the other language other than the homeschool portions which was stripped out. She thinks the bill was just a victim of circumstance to other members who needed a handy vehicle. ET Mitchell asked what we can do to get this back on track? Sally-Ann Gupta said that she thought all it would take would be in the next session to get a member who is willing to revive the language in a new bill. It is a matter of pressing the issue and finding someone to sponsor a new bill. She does not see any impediment to it passing once the homeschool part was removed. ET Mitchell said that a NC Military Affairs Commission action item on this should be to get this rolling again. She wondered if Rep Cleveland or Senator Brown would be willing to support this?

Sally-Ann Gupta said that Senator Brown would be retiring soon. He is not running for re-election. It will be up to someone else on the Senate side. ET Mitchell said what kind of outreach can be done to make that happen and see if there is any interest in making that happen? Where is the right place for that to happen? Sally-Ann Gupta said that the NC Military Affairs Commission faces a quandary at this point in time. She said that Senator Brown had been a champion for so many pieces of legislation that affect the NC Military Affairs Commission or advocates for NC Military Affairs Commission's Strategic goals. At this point in time with him retiring, the NC Military Affairs Commission needs to find a new champion. ET Mitchell said that is what they needed to hear. The takeaway is what are the action items and that is the action item. Chuck Allen asked how much say so does the NC Military Affairs Commission have on who they appoint to replace Senator Brown on the NC Military Affairs Commission? That is something we need to work on individually and as a group with the Speaker of the House or whoever we need to talk to. Sally-Ann Gupta said that there are a number of members whose interests and prior

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advocacy would line up well with the NC Military Affairs Commission. People who represent military districts presently or have a lot of constituents who live adjacent to an installation. Members who have shown a proclivity to military friendly legislation. There are a number of members that come to mind. She does not want to overstep but she will have a conversation with a couple of members that come to mind to see if they would want to assume that mantel. Chuck Allen asked if this was something she needed assistance with, or did she want to take this on? Sally-Ann Gupta said that she would take this on. She is happy to do this and a conversation that she has had one on one with Senator Brown and the future efforts because for so long it has been very simple because he has done it. We are moving into a different juncture. There are a couple of members that she would like to reach out to and one in particular that she has in mind base on her discussions with Senator Brown. She hopes that we can find a new champion. The goals or resolutions of the NC Military Affairs Commission are pretty unobjectionable, and they end up passing by a very wide margins. She just needs to find a member that wants to take that on.

Jamie Norment said that it occurred to him that Chuck Allen, ET Mitchell, and other members of the Commission should reach out to Senator Harry Brown personally. Give him a call or send him an email to let him know how important it is that we have a good transition to whoever is going to be the replacement. It would be great to have a group of people impress upon Senator Brown how important this is to the military community at large. He said that he knows that Senator Brown knows how important this is and he has worked very hard for the Commission. But it is important to give him some encouragement and let him know that this is a priority. H is confident that he will help the Commission out on this matter. He said that it is also important that the Commission members emphasis the good work that Senator Brown and Sally-Anne Gupta have done. He would hate to lose that energy next year.

Paul Friday said that he wanted to echo Jamie Norment's comments and that we are not losing just one champion, but Senator Brown did a lot of great work with the help of Sally-Ann Gupta. He will be hard to replace. He thinks we need to send notes to Senator Brown to thank him for all of the great work that he has done. Many times, it looked so easy to all of us on the outside. Sally-Ann Gupta said that was very true and beyond a note, maybe there can be a formal recognition for Senator Brown and everything that he has done for the NC Military Affairs Commission. Chuck Allen asked Kelly Jackson how we can do a formal recognition for Senator Brown. Kelly Jackson said that she would put that on the agenda for the Executive Steering Group (ESG) and have a recommendation for the group. Then it can be brought up at the NC Military Affairs Commission. Sally-Ann Gupta said that she also agreed with the comments from Jamie Norment about having leadership from the NC Military Affairs Commission make a personal appeal to Senator Brown to try and identify a new member to take on that mantel and be the champion for the NC Military Affairs Commission. Then maybe Senator Brown can have a one on one with the person that is identified. She thinks that conversations like that are best between peers. Also, to ensure that the person is on board with all of this. Once the person or persons are identified, leadership from the NC Military Affairs Commission could sit down with those individuals and brief them on the NC Military Affairs Commission, the structure, strategic priorities and give then an overview of the Commission. ET Mitchell said that she thought this was a good plan and she liked it. Sally-Ann Gupta said that it sounds like we have a game plan going forward. Something that should be on the agenda is the leadership that will appeal to Senator Brown to search for a new champion. Chuck Allen said that he would do his part. Paul Friday said that he would help with this also. Chuck Allen said that

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he wanted to get with Jamie Norment and Frank Bottorff and come up with a game plan of how to move forward.

Jamie Norment said that game plan should be and if we really want to do this right, we should include the Majority Leader. He assumes the Republicans will hold the Senate and Senator Harry Brown was the Majority Leader, there would be a new Majority Leader, we need to get close to that Leader and the President Pro-Tem. He said that Senator Burgin has visited a lot of their installations over the years, but he thinks that we are going to have to do a new education process and outreach with the members in the Senate. This is going to require some effort and more discussion, and he would be happy to participate in those discussions. Jamie Norment will contact Frank Bottorff and talk to him about this matter. Sally-Ann Gupta said that she did not think that a new Majority Leader would be identified until after the election and early on in the new year. Jamie Norment said that there are rumors about who wants to be the next Majority Leader, but we will not know anything until next year. Sally-Ann Gupta said there are rumors and she has heard a number of names, but we will have to wait and see.

**STRATEGIC PLAN: SALLY-ANN GUPTA**

Sally-Ann Gupta asked to have the priorities and implementation items showed to the committee. Paul Friday said that he did not serve as part of this group during the strategic working group. He was wrestling when he was reviewing each of the committee's drafts as to what legislation was a carry-over that we need to put in as a place holder. Sometimes the legislative items are not known that far in advance. He was not sure where to start with the carry over. He is hoping that from her verbal update with us that she has something and will not have to go through a lot of effort. Sally-Ann Gupta said that one thing is Senate Bill 706 Educational Changes for Military Connected Students. That legislation needs to be revived.

Another item is Senator Burgin's bill titled Military State Income Tax Relief, SB 188. Kelly Jackson said that the military state income tax relief topic is being talked about at the Economic Development Committee meetings. Sally-Ann Gupta said that we want to be sensitive to after post COVID economy but at the same time this is something we have had on the agenda for a long time. It might be the most requested piece of legislation that has never passed. The argument can be easily made that the economy would absolutely benefit from the individuals that would be drawn to permanently relocate to this state if that income tax relief were provided. Chuck Allen asked if there was not a study done at one time on this topic? Sally-Ann Gupta said that she thought there was a study done and some people may take issue with a study that has been done and the conclusions that have been reached. She is not aware of any final reliable word on what the economic impact would be. Kelly Jackson said that the topic has been discussed at the Economic Development Committee meeting and they received a study completed by Fayetteville State University (FSU) on this topic. She has shared that document with the Economic Development Committee members and can share it with this committee also. There were questions about the study from the Base Sustainability & Community Affairs committee, so she has reached out to Arnold Gordon-Bray for clarification on the questions that have been asked. She will share the study and East Carolina University (ECU) presentation with the members of this committee. ET Mitchell said that one of the questions that she has about this issue is that other states have clearly found a way to make it work and it is working to their benefit. She would like to see that if we are going to do a study that one of the issues she would like to see addressed is for the states that have this, how

are they making it work? Because they are making it work. We do not need to reinvent the wheel, and someone has already designed one. This would require some coordination with federal and state retirees lobbying groups that benefit a large number of people. She thinks that after several years it will pay for itself due to the number of people that choose to relocate here due to that reason. Sally-Ann Gupta said that is what you will run up against as people want to look at what is it taking away from the state in terms of revenue. The people that want to see this bill passed, frame it as what can it give to the state in terms of the military retirees it would draw to the state and the tax base. That is a harder figure to come by because it is imagined as you know. ET Mitchell said that it is a business model and a capital investment. I understand when you say it is imagined but we need to look at some other states who are doing it and making it work successfully. It is like if you put in \$5 million in new plant equipment and have to pay for it, what is going to be the output and revenue 2, 5 and 10 years down the road. That is not an unknown calculation. When people are viewing it as imaginary and are opposed to it, they are not taking the long term perspective. They have not seen the numbers and we need to give them that information. Paul Friday said that he echoed her comments. Just doing another study of the what ifs when there is already a majority of the states that have passed this as the right thing to do and executing that plan. these states have been doing this long enough to have data and not just a guess.

Kelly Jackson asked the committee to review the priorities and implementation items and get her any changes, corrections, or additions. Paul Friday said that the 2 items that were raised by Sally-Ann Gupta were a good start. Paul Friday said that he would work with Sally-Ann Gupta and get some information to Kelly Jackson. Sally-Ann Gupta said that she would send Paul Friday an email so he could work on the implementation language for those 2 items that we want to see passed in the future.

**DISCUSSION/QUESTIONS:**

Sally-Ann Gupta asked if there were any other issues for the committee? Paul Friday asked Sally-Ann Gupta how much longer she would be in her current role? Sally-Ann Gupta said that was a good question and she is not sure right now where she will be assisting a new majority leader or what her role will be. Paul Friday said the Commission owed her a great gratitude as well for all that she has done. Sally-Ann Gupta said that it was her pleasure and she loved working with all of the members and just doing her part behind the scenes to make sure that our goals were met. Paul Friday said thank you for all that she has done. Sally-Ann Gupta said that if anyone thought of any other items for the Strategic Plan to just email her.

**ADJOURNMENT:**

Sally-Ann Gupta adjourn the meeting at 10:58 am.