



NORTH CAROLINA MILITARY AFFAIRS COMMISSION

Minutes of the 4th Quarter Meeting of the NC Military Affairs Commission (NCMAC)
Tuesday, November 19, 2019 Department of Public Instruction (DPI) Building, 7th Floor
Conference Room, 301 N. Wilmington Street, Raleigh, NC

MEMBERS IN ATTENDANCE:

Col. Frank Bottorff, USMC Retired, Cherry Point
Rep. George Cleveland, NCGA
Dr. Scott LaFevers, Seymour Johnson AFB
Hon Will Lewis, Cherry Point
SgtMaj William Hatcher, USMC Retired, Camp Lejeune
Stan Walz, USCG Retired, Coast Guard
Sen Norman Sanderson, NCGA (Non-voting)
David "Crockett" Long, Public Member
Timothy McClain, Public Member
COL Kirk Warner, USA, Retired, Fort Bragg
MG Gerald A. Rudisill, Jr, USA Retired, National Guard
Patricia Harris, USA Ret., Public Member (by phone)
ET Mitchell, Cherry Point
BG Arnold Gordon-Bray, USA Retired, Public Member
Paul Friday, Camp Lejeune
MG Rodney Anderson, USA Retired, Fort Bragg
Wesley Meredith, Fort Bragg (By phone)

MEMBERS ABSENT:

Rep. John Bell, NCGA (Non-voting)
COL David Hayden, USA, Retired, Public Member
Sen Harry Brown, NCGA
Grier Martin, Public Member
Gen Edward Reeder, USA, Retired, Fort Bragg
Julie Daniels, Seymour Johnson AFB
Hon Chuck Allen, Seymour Johnson AFB
Dr. Ronald Lingle, Camp Lejeune

EXOFFICIO MEMBERS:

Larry Hall, Secretary DMVA
Will Best, DOC

NCCC:

Mike Scalise, MCI-East
Col Ferry, Camp Lejeune

ADDITIONAL ATTENDEES:

Ron Massey, City of Jacksonville
Chad Sydnor, Cassidy & Associates
Mike Johnson, Cassidy & Associates
Ed Turlington, Brooks Pierce
Larry Coleman, NCNG Association
Marc Finlayson, ACT
Fred Aiken, NC Senate, Office of the DP
Janet Bradbury, Sen Burr's office
Siobhan Norris, UNC System
Jamie Livengood, Wayne Cty Schools
Valerie Nasser, Craven Cty Schools
Rollie Sampson, Moore Cty Schools
Leafa Palmer, MCAS Cherry Point
Julie Fulton, MCI-East, School Liaison
Donna Grady, Camp Lejeune, S Liaison
Joseph Peek, Cumberland Cty Schools
Iris Pierce, Fort Bragg (by phone)
Angie, Mullennix, DPI
Megan Doyle, Craven Cty Schools
Myra Flowers, Craven Cty Schools
Cristy Barnes-Williams, SJAFB
Keith Martin, MCEC
COL Curtis Ebitz, MCAS New River
SgtMaj Carlos Orjuela, MCAS New River
Tim McCurry, MCAS New River
Bob Coats, OSBM
Kevin Bruch, Defense Liaison Officer (p)
Mike Archer, MCI-East
Kelly Jackson, DMVA

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CALL TO ORDER, WELCOME REMARKS:

Vice Chairman Frank Bottorff called the meeting to order at 12:35 pm and welcomed everyone to the meeting. There were 17 voting/non-voting members present/phone for a quorum. Vice Chairman Bottorff welcomed the new members to the Commission. The new members were MG (Ret) Rodney Anderson, Fort Bragg; Dr. Scott LaFevers, Seymour Johnson Air Force Base (SJAFB); Wesley Meredith, Fort Bragg and Senator Norman Sanderson, NC General Assembly.

CONSENT AGENDA AND MINUTES:

Vice Chairman Frank Bottorff asked for a motion to approve the 3rd Quarter NCMAC meeting minutes dated August 20, 2019. A motion was made by Kirk Warner, seconded by ET Mitchell and passed unanimously without discussion. Vice Chairman Bottorff asked for a motion to approve the 3rd Quarter Legislative Affairs meeting minutes dated July 19, 2019. A motion was made by Rep George Cleveland seconded by ET Mitchell and passed unanimously by the Legislative Affairs Committee. (Rep George Cleveland, ET Mitchell, Paul Friday and Will Lewis. 4 of 7 for a quorum). Vice Chairman Bottorff asked for a motion to approve the 3rd Quarter Quality of Life Committee meeting minutes dated July 16, 2019. A motion was made by Kirk Warner, seconded by Gerald Rudisill, Jr and passed unanimously by the Quality of Life Committee. (Kirk Warner, Bill Hatcher, Patricia Harris, and Gerald Rudisill, Jr. 4 of 6 for a quorum).

PUBLIC COMMENTS/OPEN ANNOUNCEMENTS:

Vice Chairman Bottorff called for public comments and announcements. There were none.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS (DMVA) UPDATE: SECRETARY LARRY HALL

Secretary Larry Hall gave an update on the DMVA. He said that he had been with the Botswana Delegation and the Ambassador. This was an opportunity for NC to participate in a program for exchange of information in military procedures and educational opportunities. They are here participating in a Statewide program and will be here all day. There were a lot of lessons learned from the delegation that went to Botswana in June 2019 which represented 6 NC State Departments and several independent groups as well as the NC National Guard. He wanted to report that we do have an increase in facilities as we have completed an expansion at the Sandhills Cemetery in the Fayetteville and Spring Lake area. We will be breaking ground on the new nursing home in Forsythe County on December 12, 2019. This will be an additional 120 bed to our State nursing home program. I had the opportunity to visit Cherry Point last week and speak with the Commander there as well as Fleet Readiness Center (FRC-East) to look at their operations as well as their impressive Internship program and the economic impact that the F-35 is having on that region. It has a tremendous impact as well as the program that they have for interns.

Vice Chairman Bottorff said that he didn't think it was on the agenda, but we can always talk about Cherry Point and FRC-East. If you talk about FRC-East there are 5,000 civilian jobs alone. Then you talk about the F-35 and the big issue about space. We have more work than we have space. Then when you get to the Military Construction (MILCON) which is one of the things that this Commission does is to advocates for the installations. FRC-East and Cherry Point clearly need upgrading of their infrastructure and specifically a new hanger for F-35 maintenance. We currently have 1940-1950 year hangers supporting modern aircraft and that makes it difficult. If we want to compete and continue to gain jobs

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for the State of NC, we need to help them get new infrastructure upgrades. There is a lot of work in the future for the F-35's and someone is going to do that, and we want it to be us. ET Mitchell said that FRC-East is a Naval facility that is on Marine Corps dirt. There has been a lot of controversy in terms of Navy paying for Florence damage sitting on a Marine Corps Installation. The Navy and the Marine Corps are doing this, pointing at the other agency. The word on the street is that the window of time was missed, and FRC-East is going to pay \$45 million in terms of Florence damage. Is that correct? Mayor Lewis said that the Navy never had a plan to reimburse any of it. He does not know if there was a time limit per say but when they were there last week, the briefing was that they have paid for it out of working capital. At this point, unless the Navy does something to give them a resurgent of dollars, to go back to it, they will be taking it out of their hide. Then in the future, their rates may have to change. Vice Chairman Bottorff said that clearly they are underfunded just for repair and maintenance of damaged stuff. The big bill is coming for MILCON for new facilities which will be in the hundreds of millions. That battle will be ongoing.

Mayor Lewis said that he wanted to add to what Sec Hall had said about the Internship program. Something that they are doing right, and this could be worth having them come here to talk about the program is a lot of the work that they do on the aircraft is very specialized. There are folks that are separating from the Marine Corps, Navy and Army and are being employed there. They are doing hydraulic or sheet metal work but not at the level required for FRC-East. So, they have created this Internship program, so they can grow their own and make them specialist. We have seen a lag in the work force and funding concerns. But they think what they are doing is growing their own in house. So, when they are required to touch an aircraft they are ready to do that. It is unique across the State and the other Depots. They are doing this different than the other 2 Navy Depots. Our retention level is super high.

NORTH CAROLINA COMMANDER'S COUNCIL (NCCC) Report: MIKE SCALISE

Mike Scalise gave the members an update from the North Carolina Commander's Council (NCCC). We received an update from Frank Bottorff on the NCMAC's Strategic Plan and the NCCC members and their Subject Matter Experts (SME) will review that document and then send any comments to the Bryan Ayers by November 6. He will consolidate that information and send it to the NCMAC for any action as required. We also received an update on the Sentinel Landscape program and the reach out efforts that we have in support of Agriculture. We had an interesting briefing from the Aviation Director, NC Department of Transportation (NCDOT). He gave us a great briefing on what is going on or projected to happen in NC with regards to Unmanned Aerial Vehicles (UAV). That is a concern for the military mission footprint. We do have an Unmanned Aircraft Systems (UAS) working group at Camp Lejeune and the information that we can get from the State of NC will be helpful for the coordination that we need to protect the airspace over our bases. We also have a letter of advocacy that the NCCC would like to submit to the NCMAC Chairman which today is the NCMAC Vice Chairman. We would like to get this into the record and read the first and last paragraphs of the letter. This has to do with registering children in schools for parents that are Temporary Assigned Duty (TAD) and elsewhere.

“ The Chair and member of the North Carolina Commander's Council (NCCC) request advocacy from the NCMAC to remove barriers to the enrollment of military service member's children in North Carolina's (NC) public schools.”

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“NC law currently authorizes public school enrollment when the student’s parent is “deployed,” but doesn’t cover a significant variety of common military circumstances that cause a parent’s absence, such as lengthy training and courses, challenging assignments such as Drill Instructor, or other non-deployment duties. Nor does the law cover pre-deployment training over thirty days. Accordingly, the law should be amended to allow military families a wider opportunity to use a guardianship power of attorney vice legal custody to enroll their children in NC public schools.”

When we have military servicemembers that are in training for long periods of time and they want to have a family member in NC watch their children during that training period. The NC law has the families transferring custody of their children to that family member. We believe that is an oversight on the part of the legislative language under the premise that everything falls under deployment and that is not the case. We have the letter that has the details and the legal language in that letter. We request advocacy for this matter. We also received a Census update from Bob Coats. The NC military bases are on top of the Census and the Department of Defense (DoD) has published clear guidance in support of the Census results to include bringing teams aboard the installations. Vice Chairman Bottorff said that we did talk about the Enrollment issue during the Executive Steering Group (ESG) meeting. We will need to write up a letter of support from the NCMAC for the Chairman’s signature and see how we can push this forward. Mike Scalise said that he appreciated the support of the NCMAC on this matter.

BASE SUSTAINABILITY AND COMMUNITY AFFAIRS (BS&CA): FRANK BOTTORFF

Vice Chairman Frank Bottorff reported on the 4th Quarter Base Sustainability and Community Affairs Committee meeting that met on October 22, 2019.

1. Update on the NCMAC expenditures.
2. Update on the status of the 2 Grants. City of Jacksonville and Allies for Cherry Point’s Tomorrow (ACT). Both projects have requested extensions to complete their projects.
3. Will Best, Department of Commerce (DOC):
 - The Seymour Johnson Air Force Base (SJAFB) Dare County Range Joint Land Use Study (JLUS) implementation plan has been awarded and we are in the process of completing the Request for Proposal (RFP) to be released by the Department of Commerce and the State. He anticipates that this will happen this week or next week to get it out publicly.
 - We are also working with the Rural Land Use Advisory Commission at Fort Bragg on their Compatible Use Implementation Plan. I think they are 30% into the plan and developing some comprehensive plans to provide to local governments and the communities surrounding Fort Bragg. This is to promote mitigating encroachment and to understand encroachment and planning for that.
 - We are also looking at the Economic Impact Statements.
 - Dare County Range Compatible Use Implementation Plan will formally state what REPI Challenge and what Sentinel Landscape does for joint land use study compatible use implementation. The Sentinel Landscape Committee will be formally part of that group. The more information that we can provide through that process to the community and landowners, particularly around

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Dare County Range and that area. We want to ensure that this information is spread through County Managers and their General Counsel to the communities.

3. John Nicholson, Department of Environmental Quality (DEQ) gave the committee an update:
 - He thinks that there are a lot of items on the BS&CA agenda that DEQ and the NCMAC can partner on.
 - DEQ is working hard and fast on Executive Order 80 North Carolina's Commitment to Address Climate Change and Transition to a Clean Energy Economy and sustainment and mitigation issues.
 - They had a good meeting with Mayor Allen a couple of weeks ago and talked about a variety of issues.
 - They talked about the failing water infrastructure issues within the State. There is both water and sewer concerns. They project a \$26 billion problem across the State.
 - Will Best said that there are grants and would share that information.
4. Dewitt Hardee, Department of Agriculture gave the committee an update on Sentinel Landscape:
 - Dewitt gave the committee a report from Sentinel Landscape and updated them on the report.
 - The Committee reviewed the new Memorandum of Understanding (MOU). No changes from the last MOU. They approved moving forward with the MOU.
 - NCMAC has approved the \$150,000 to support Sentinel Landscape in their budget.
5. Strategic Plan, Request for Proposal (RFP):
 - The committee talked about the upcoming Strategic Plan
 - We have gotten a start with the work of Dr. Kathy Sturgis and the NCMAC Strategic Priorities
 - We will use some of the information from the MATRIX contract. The RFP will be narrower than the MATRIX contract but broader than the what we did with the facilitator.
 - Need representation from all of the committees.
 - The Strategic Plan needs to be completed and sent to the Legislative Oversight Committee early November 2020.
6. Reviewed Strategic Priorities for BS&CA:
7. Other Business:
 - Stan Walz asked about the role of the NCMAC during disasters?
 - Hugh Overholt gave an update
 - Ron Massey gave an update on the Census
8. Wrap up:
 - Frank is working on the mapping brief
 - Ron Massey said that the mapping brief will tie back to the NCMAC's Strategic Communications.
 - Kelly Jackson update the committee on the Legislative items.
 - Ron Massey talked about the Public Safety Answering Point (PSAP) legislation, Senate Bill 600.

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QUALITY OF LIFE (QOL): KIRK WARNER

Kirk Warner reported on the 4th Quarter Quality of Life Committee meeting that met on October 17, 2019.

1. Kirk Warner talked about a Forum that was held at the Association of The United States Army (AUSA) meeting. The Secretary of the Army, Chief of Staff of the Army and Sergeant Major of the Army hosted a panel discussion. The topics were Housing; Health Care; Child Development Centers and Child Youth Services; Spouse Employment; and Permanent Change of Station (PCS) moves. The QOL committee is discussing all of those topics.
2. Presentation by Jamie Livengood and Valerie Nasser on the Purple Star Program:
 - Overview: North Carolina will award the Purple Star designation to those schools who demonstrate military-friendly practices and a commitment to military students and families. Schools will submit an application packet for review by the NC Purple Star Advisory Team. The State Council on the Interstate Compact/Military Interstate Children's Compact Commission (MIC3) will have final approval on Purple Star awards. Approved schools will receive Purple Star recognition on the NC School Report Card and an award for the school premises.
 - There will be a presentation on this program during the NCMAC meeting today.
3. Non-Custodial School Enrollment issues:
 - Issues raised by Mike Archer, Legal Assistance Director Camp Lejeune and the Military Liaison Officers (MLO's).
 - The issue is when the service member is not on deployment orders.
 - The Compact Statue in NC leaves out part of the model language that is critical to this idea.
 - The committee was given a couple of case studies on this issue.
 - The QOL committee has referred this issue to the Legislative Affairs Committee.
 - The North Carolina Commander's Council is also looking at the issue and will be sending something to the NCMAC.
4. Department of Public Instruction topics:
 - Military School Identifier. A memo when out in Sep to all of the school systems. The collection of that information is due at the end of January within Power School.
 - Troops to Teachers. Finished the first grant year in May of a 5 year grant with 38 hires.
 - Military Interstate Children's Compact Commission (MIC3): There was a state meeting held on September. Alex Irwin, NC MIC3 Commission will be attending the National MIC3 meeting in Colorado. The MIC3 is part of the Council of State Governments that coordinates and manages the interstate compact on educational opportunity for military children. That is a compact of 50 states that have agreed to abide by these rules around military transitions for kids. MIC3 is that body and a national organization for the compact.
 - Military Liaison Officer (MLO) Coordinator positions: Waiting on the budget.

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5. Military Community and Family Policy:

- Kevin Bruch, State Liaison Office said that they were working on In-State tuition continuity for those that get excepted to a university.
- Valerie Nasser said that she and Leafa Palmer had attended a College Foundation of NC workshop and that if you were AD in NC and you child got accepted into a NC State school and the parents had a Permanent Change of Station (PCS), the child no longer qualified for in-state tuition. They got this information from the Residence Determination Service (RDS).
- We plan to look into this matter further.

6. Legislative Initiatives:

- Senate Bill 448: Amend Appt for Compact on Education/Military was approved on June 21, 2019
- Senate Bill 230: Excused Absences for Military Children has made crossover and is in the House Rules committee. Rep Cleveland will ask the Rules Chairman to see if they are going to hear it.
- Senate Bill 672: Military Liaison Counselor/Funds

7. Senate Bill 761:

- Great briefing from Kevin Nathanson at the last NCMAC meeting
- Briefing today from Siobhan Norris on the military programs going on at the Universities.

8. Dorothea Dix Care Unit for Adolescents Update:

- We have secured the \$4 million from DHHS and have finalized the plans to build the unit at Cape Fear Valley—this was the biggest step in that we repeatedly went back and forth on location, size, etc., but we have now been able to secure the space! In addition, this will be a brand new building built adjacent to the adult psychiatric unit. This will allow for the perfect setting yet also allows the patients to be housed in a separate building from the hospital as well as separately from the adult psychiatric patients. The new building has also allowed us to design it with state of the art space and we already have a child/adolescent psychiatrist on board who will develop expertise clinical programming.
- We have contracted with an architect and have the basic design of the building developed. The building will house up to 16 patients from the ages of 12-17. The plan calls for six “double” rooms and four private rooms. This is for both security and privacy depending on the psychiatric needs of the patient.
- There will be 2 group therapy rooms, a day room/dining room, recreational therapy space, and medical/therapy offices.
- Occupation is scheduled for September 2020!

9. Priorities Reviewed:

10. New Business:

- Commanders are asking the question about how many home school students there are for an Installation. That information is not part of DPI. That information could be found with the Division of Non-Public Instruction. We need to have a conversation with that agency.
- Briefing from the Veteran’s Affairs Commission at the next Quarterly meeting.

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- Joseph Peek said that there was still a housing issues at Fort Bragg. Julie Fulton said that there are also issues at Camp Lejeune. This continues to be an issue.

ECONOMIC DEVELOPMENT: DAVID HAYDEN

Vice Chairman Bottorff reported for the 4th Quarter Economic Development Committee meeting that met on October 8, 2019.

1. Update on the NCMAC expenditures.

2. Denny Lewis, EDPNC:

- Presentation and update
- Association of the United States Army (AUSA), October 14-16. Sec Copeland and Sec Hall both planned to attend. NCMAC members attending were David Hayden and Crockett Long. He is doing a lot in preparation of this event.
- Topics Denny is working on:
 - Outreach: Learn, Educate, Inform
 - Strategy Development & Pursuit
 - Lead Qualification

3. Stuart Ruffin, Cluster Analysis update:

- The Cluster Analysis is going well.
- During Phase I of the process, we set out 6 target focus technology areas. They were human performance; data and knowledge management; power; autonomous systems; advanced manufacturing; and materials.
- If you look at each of those 6 target areas, NC is growing in those collectively faster than in any other State. And in 4 of those 6 areas we are number one or number two in the Nation for employment growth in that past 5 years. The ones that we are number one in is data and knowledge management and human performance. It seems that we have picked the right target growth areas.
- At this stage of the process we are interviewing a series of companies that have technology to be in the technology sector but are currently not. We are looking at them and asking why not and why you haven't gone after this market opportunity.
- A lot of good discussion about the Cluster Analysis

4. Income Tax Relief:

- Chairman Hayden said that at the last NCMAC meeting Chairman Martin asked that the Economic Development Committee to look into this topic.
- Look into getting an exemption for military retired pay for military members who were not grandfathered by the lawsuit in 1989. So, everyone who came on active duty after 1989 who is now retired, there military retired pay is subject to State income tax.
- He was directed to the 4th Branch. They are a non-profit organization that is focused on income tax relief for retirees. Their focus is not just military, but they also advocate for state and federal employees that have retired.

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- He met with Evan Thompson, Chairman of the Veteran's Council who will give a presentation at the NCMAC today. The Veterans Council represents over 20 Veterans organizations from across the State.
- The NCMAC needs the voices of the Veteran's Organizations if we want to make a change on Income Tax relief
- More work needs to be done on this topic.

Discussion: Vice Chairman Bottorff said that this topic will not move forward unless Veterans organizations get active on this discussion. They need to get to their legislative members and tell them how important this topic is. There is some opposition and the argument are that federal and state employees also want to be included in this tax break. That is a separate argument, but we should still continue to argue for tax relief for retirees. The Bailey settlement said that you had to have 5 years of active service before August 1989. If you met that window, you are tax exempt for your retirement. If you didn't meet that day, then your retirement is taxed. Arnold Gordon-Bray asked when was the Bailey Act established? Vice Chairman Bottorff said he thought it was established in 1985. You had to have 5 years of service before 1989. Rep Cleveland said that the 5 years was for vesting. If you had 5 of service at that time, you came into the Bailey settlement. The Bailey settlement included all retirees, military, federal and state. He is an advocate for all retirees getting those benefits. We have had a 2 tiered system, an unfair system in this state for too long. Vice Chairman Bottorff said that the big push is to get the Veterans organizations advocacy groups involved. If you have people from your areas that sit on either the State or National level organizations and have influence and can get their organizations involved in the conversation, that would be a good thing. We need them to voice their support of this issue to our State legislators. Arnold Gordon-Bray said that his question was for 2 reasons. The date that this was done and then to collect data to see what happened in terms of retirees staying here versus leaving NC. We already have the argument. There are levels of retirees and one level are those that do retire in NC and are positioned here which is different than those who have been working here. The one has a choice to make and that comes down to whether they stay here in NC. They will contribute more than their retirement taxes because most of them will do something else. That is David Hayden's argument as well. The argument that we will lose dollars based upon the retirees becomes somewhat inaccurate.

Vice Chairman Bottorff said that we need some of that data. A lot of those people up to retirement may not be NC residence. Rep Cleveland said that studies have been done by the 4th Branch which is about 5 years old. It showed that there was a 2-1 return on retirees staying in the State. A retiree brings much more to the state than the state is going to give them. He is going to be buying homes, looking for a second career, and his health care will normally come with him. It is a benefit for the state. Arnold Gordon-Bray said that he would argue for the military side specifically. The others are residents already, but the military will have a choice to make. So, taking another step forward, so there should be a different argument. Rep Cleveland said that they don't have any links to NC so, 9 out of 10 of them will leave. Patricia Harris said that was correct. Most of them will leave if we are not being friendly to that. The Tax Exemption issue is why many of them forfeit residence in NC and move to other places like Texas where this is not an issue. The Veterans service organizations have been arguing this issue for a long time and it had been falling on deaf ears. We have Evan Thompson from the State Veterans Council who can talk about this issue. ET Mitchell said that she agreed with that and when we advertise

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ourselves as NC being the most military friendly state and then we are taxing their retirement and other states are not it raises some eyebrows. We may not be as military friendly as we should be.

Vice Chairman Bottorff said that he would like to expand on what Patricia Harris said. He gets a lot of military members whose children are now in the military. He was from PA and did not pay state tax when he was living outside of PA. But if you live in NC, are in the military and get stationed outside of NC, you still are required to pay state taxes. If you are from NC, you will stay in NC. If you were not from NC and we were a more military friendly state, that could help them make that decision to stay in NC. What we are doing for those military members who are in this state and went to college in this state, as soon as they get the opportunity to be stationed in a non-taxed state like Florida? All of the parents are telling their kids to change their residence to that state. So, what we have done is broken some of those ties from their home state of NC. Then they are more likely to continue that gypsy lifestyle and not a connection to NC. I think we should take care of our Active Duty members in that same way. ET Mitchell said that there are many training installations that are in states with no state income taxes. I think most of us agree to this but how do we move this forward. Patricia Harris said that she knew that we have been talking about this topic for at least 10 years. I know that I came back to NC because I had property and family here.

Vice Chairman Bottorff said that we might need to address that nuisance in the Sub-Committee to see if there is a different initiative that we can support. He wanted to go back to some that had talked about earlier. He thought it would be more beneficial to separate the active duty military retirees from the state and federal employee retirees. Because if you wrap too many things in it becomes less likely to get passed. ET Mitchell said that she didn't think you could legally. Vice Chairman Bottorff said that other state had done that. Rep Cleveland said that you could to that but as soon as you pass it, the state will be in a lawsuit. Financially the state is in a position to do this now. We have been in a position to do this for a couple of budget cycles, but the leadership does not want to handle it. The Bill that he has in the House is over a 10 year period to make it as cheap as possible for the state. Vice Chairman Bottorff said that he was not against giving them tax free but didn't want to hurt our changes by wrapping too many things into the mix. Maybe that is the only way to get this done. Arnold Gordon-Bray asked if every other state that passed the income tax relief has wrapped in all federal employees? Rep Cleveland said he did not have that information. He was stating this because of the way this happened in NC. The only settlement was a lawsuit and there were numerous organizations that were tied up in that lawsuit. The same organization that pushed the Bailey settlement became the 4th Branch and they are still working that issue. If this state does something for one group and not the other groups, He bets there will be a lawsuit within a month. Arnold Gordon-Bray said that we would take this information back to the Economic Development Committee. We do need to realize that the environment has changed since 1985. We are in a period of time where we have been in conflict or war for about the past 20 years. There have been a series of events that have put the NC bases and membership in a different posture than they have been before. We need to get a Strategic Communications plan that is passed to the legislature. Vice Chairman Bottorff said that he agrees with the sacrifices that the military members have made over the past 20-25 years is different than the average federal employee.

Bill Hatcher asked if we know how many other state exclude military retirement from state taxes? Vice Chairman Bottorff said that Indiana was the 31st state have full state tax exemption. Bill Hatcher said

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that it is more than we think, and it is getting more prevalent so, we need to get on board. Paul Friday said that the Economic Development Committee is working on is how the other states worked. We all need to be informed and carry the same message out there. How unique was NC and does that present that unique challenge? Vice Chairman Bottorff we need to see if someone can do some research on this topic and what hurdles have other state had to work through. ET Mitchell said that we need the data and I am sure that there is information on this topic somewhere. Rep Cleveland asked Vice Chairman Bottorff to send him an email on this topic.

5. NC4ME Funding:

- The Committee reviewed the documents required to fund NC4ME and approved the documents
- The NCMAC has already approved \$40,000 for NC4ME in their budget.
- The paperwork will be submitted to DOA for processing.

6. Reviewed Strategic Priorities for Economic Development: There was a lot of discussion about the priorities.

Vice Chairman Bottorff said that some of the NCMAC members did attend the AUSA conference. David Hayden was one of our members that attended. General Martin Dempsey received the AUSA Marshall award and we had a NC table of attendees. Seated at that table was Sec Larry Hall, the Duke President and other NC representatives. Sec Copeland, NC Department of Commerce also attended the conference. He said that the NCMAC sponsored Sec Hall, David Hayden and Crockett Long to attend the conference. Crockett Long said that it was his first time attending the AUSA conference. It was very enlightening, and he was impressed how engaged the NC delegation was in the conference. He got a lot of information out of the conference. Paul Friday also attended the meeting for the first time and there was a lot to digest. It was gratifying to see approximately 22 companies that had booths that were NC heavy and we visited with all of those companies.

Vice Chairman Bottorff said that there are 3 conferences that we send members to from this Commission. Two of the conferences are from the Association of Defense Communities (ADC) and the AUSA. ADC has 2 main conferences a year and the first one is San Antonio, TX in February and the second one is in Washington, DC in June. The conference in February will be attended by Frank Bottorff and Mayor Allen. They go as representatives from their cities Havelock and Goldsboro. The NCMAC can send 2-3 NCMAC members to the February conference. The February meeting is more of a learning conference and the June meeting is similar to the February meeting, but the speakers are more high-end since the conference is hosted in DC. The NCMAC members also have an opportunity to go to the Hill and visit with our State Representatives. If anyone is interested, please let Kelly Jackson know that you are interested in attending and she will share that information with Chairman Grier Martin. He encourages any member to attend a conference if possible because they are a valuable resource for all members. Arnold Gordon-Bray said that we need to think about a space to huddle and synchronize who is there, synchronize the ideas and then flex and adjust what you run into on a daily basis. We need to think about that same thing. There would be a cost for this, but we should look at that. Vice Chairman Bottorff said that in the past year we have meet with Under Secretaries from the Navy, Army and other Congressional members. This can be very valuable. Paul Friday said that he wanted to make a comment about Commerce in all of this. Sec Copeland has attended the last couple of these and

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in some cases, led the delegation. In addition to the economic development partnership portion of that, is they are going to go and do the same thing at the Navy and Marine Corps primary events like at the AUSA event. Those events are significant and making sure they have coverage and doing outreach across the spectrum for all of the services. Vice Chairman Bottorff said that sometimes we don't give credit where credit is due. We have an outstanding relationship with the NC Department of Commerce and Will Best and also the NC Department of Agriculture and Department of Transportation. He said that if we don't get 3 members that want to attend the ADC February conference, we should think about sending Will Best as one of our representatives.

LEGISLATIVE AFFAIRS: REPRESENTATIVE CLEVELAND

The Legislative Affairs Committee did not have a meeting in the 4th Quarter

BYLAWS WORKING GROUP: KIRK WARNER

Kirk Warner had no update. He reminded the new members that there was a copy of the Bylaws in their packet and to contact him if they have any questions.

FINANCE AND BUDGET WORKING GROUP: FRANK BOTTORFF

Vice Chairman Frank Bottorff updated the Commission members on the budget. He had a handout for the members with the current expenditures. He told the new members that if they had any questions on the budget process he would be glad to meet with them to explain the budget process.

Expenditures 2019-2020

Lobbying Service	July – October	\$102,000
Facilitator Service	August – September	\$4,640
EDPNC	July – October	\$60,000
Cluster Analysis	July- November	\$94,363
Stipend/Per Diem	July – October	\$217.80
Travel	July – November	\$4,702.05
Office Supplies	September	\$182.10
MISC	July – October	<u>\$441.25</u>
Total:		\$266,546.20

BREAK

PURPLE STAR PROGRAM: ANGIE MULLENNIX, JAMIE LIVENGOOD AND VALERIE NASSER

Kirk Warner thanked the Purple Star working group for all of their efforts and hard work. We look forward to hearing your presentation today. Valerie Nasser said that the Military Liaison Officers (MLO) from the Installations are here to support the Department of Public Instruction (DPI) as they roll out the Purple Star Program. We have been working on this program for a few years and we are excited that this program will be implemented. She also said that they wanted to thank the NC Military Affairs Commission, the Quality of Life Committee and especially Kirk Warner for seeking to understand from our boots on the ground perspective the issues that affect our military families. Especially with school

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aged children, not only has this committee listened to us but they have acted. They have kept the Purple Star Program in the forefront and continued to push for action. Because of that support, this program is coming to fruition. The partnerships between the NCMAC and DPI will put us on the road to be a truly military friendly state. Jamie Livengood said that we have heard about many K-12 issues for 2-3 years. With military friendly schools is where we started that conversation. Craven County has piloted this program and then we have moved into a Superintendent's meeting where discussion was had about military friendliness and putting those things in place at a school to show that. The NC Alliance that is a group of MLO's and School Liaison Officer's (SLO) took the criteria from other states and then we formed a working group that developed our program. We are glad that Dr. Mullennix has come on board at DPI and she is a mover and a shaker. She is going to show you how this program is going to work in NC.

Dr. Mullennix said she is former military and is married to an Active Duty (AD) service member. They have 2 children who are military children. They live in Moore County. She has been immersed in the military in NC since she was 18 years old. She has a lot of pride in being able to take this over for DPI. This is her 5th week working for DPI. She was at the Friday Institute at NC State University prior to coming to DPI and Moore County school before that. She doesn't think that she needs to give a lot of background but as a military spouse, mother to military children and looking across our state, we have such a large military population of Active Duty, National Guard and Reserves, Retirees and Guardians who are watching over our children. We need to ensure that we are identifying those schools who are providing support for those children.

Overview:

- Share purpose of Purple Star designation
- Share timeline for application, review, award letters, and award ceremony.

Purpose:

- Purple Star Schools are schools that show a major commitment to students and families connected to our nation's military. Several states already have the Purple Star designation process in place.
- As a military-friendly state with several major military installations and many military-connected children throughout the state, this will be a valuable identifier for our state's military-friendly schools.

Timeline:

In December 2019, NCDPI will launch the Purple Star designation application through the NCDPI website and other means of communication. The application will outline a series of requirements schools must have or accomplish in order to be awarded the purple Star designation.

- December 2019: Applications Launch
- February 2020: Applications Due
- March 2020: Award Recipients Notified
- April 2020: Award Ceremony

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Application Review Process:

- Applications will undergo a review process at the North Carolina Department of Public Instruction
- Once applications are reviewed, notification letters will be sent out to schools.

Purple Star Awards/Identifier:

- Award Ceremony
 - Will be held at a designated location.
 - Will be presented by the NC State Superintendent, Mark Johnson
 - Will include certificates and possibly banners or plaques.
- NC Report Cards
 - Icon (in progress) will be on Purple Star Schools' NC Report Cards.

Questions/Comments:

Rodney Anderson asked about the criteria for applying for this program. Dr. Mullennix said that there is a section of requirements and there are about 4 items on that application. There are required and optional items. Many of these items are already happening at many schools. Arnold Gordon-Bray asked if there was an actual percentage besides being in a military based areas but a metric that says what percentage of the children have to be military dependents. Dr. Mullennix said that they don't have to be in a military area. We have National Guard and Reserve children across the state. This program does not have to be in a targeted area and near a military base. Every school in NC can apply for this Purple Star designation. ET Mitchell said that this program started in Craven County and the Craven County Superintendent Meghan Doyle is in the audience. Would it be useful for her to address what specific programs meet the criteria for military friendliness? ET Mitchell less interested in the application but more interested in the programs being offered to the kids. Dr. Doyle said that she is sure that Dr. Mullennix was in a great position to do that, but she would say that the student to student program and that support connection was important. When a student comes into our school, they have moved multiple times. Often times making friends and being inducted into the school community and family is a major challenge. We have students that are in are schools that receive training to help that induction process to help new students come into a new school system. She would assume that student to student would be one of those programs and we have those programs at the elementary, middle and high levels. She thinks that is one of the most helpful programs that they have at their schools.

Vice Chairman Bottorff said that you are creating a video. Dr. Mullennix said that is one of the items she has been working on in her short time at DPI. Rudy Rudisill asked about the accuracy of military student numbers across NC. Jamie Livengood said that the numbers from Defense Manpower Data Center (DMDC) are very accurate. Vice Chairman Bottorff said thank you to this group and this is going to create more opportunity for us to get feedback from the parents and families. Rep Cleveland said that this process seems to have a compressed schedule, so my concerns is are we going to get an in depth program and is going to benefit the students or are we jumping in with both feet and then build it afterwards? Dr. Mullennix said that there are a lot of schools that have already completed the required criteria in place. They will be the ones that easily pass this application process and are identified. The criteria will not be easier this time since we are on a shorten timeline. The criteria will remain the same going forward. Then we will see more schools who say they have done one or two of the criteria, and it

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let's them make this a part of their improvement plan to meet the other criteria and receive the designation as a military friendly school system. Rep Cleveland asked if Dr. Mullennix was the person to oversee this program at DPI? Dr. Mullennix said that she was that person for DPI. Kirk Warner asked if there could be some best practices that could be shared with other school systems like the student to student program from Craven County. Dr. Mullennix said that she was over an Innovative Exemplars Project and so we will be identifying with our regional case managers and our regional support teams, innovative exemplars across the state. That will likely be one of our exemplars where we identify how we have reached military children. With that will come an info graphic, a video and on a heat map that will be on our website. When you pick one of the topics such as teacher retention or military friendly that would be one of the pop outs with that. One other item that she would like to share is that they have been collecting Christmas cards and holiday cards for the troops created by students and teachers throughout the state. The Superintendents have just passed forward over 100,000 cards for the troops. She wanted to give a shout out to the students and teachers who created those cards.

CASSIDY & ASSOCIATES: CHAD SYDNOR

Chad Sydnor introduced himself and other members of this team. They included Matt Bales, Cassidy & Associates and Ed Turlington, Brooks Pierce.

Bipartisan Budget Act of 2019:

- August 2, 2019 – President Trump signed H.R.3877 – Bipartisan Budget Act of 2019
- This legislation effectively ends sequestration – Budget Control Act of 2011
- Resolves DoD funding dispute by setting defense spending for the next two years
 - FY20 - \$738 Billion
 - FY21 - \$740.5 Billion

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Prior BCA Budget Cap for National Defense (050) Base Budget	\$647B	\$576.2B	\$590.2B
Budget Cap Increase in BBA 2019		\$ 90.3B	\$ 81.3B
Newly Revised Budget Caps for National Defense (050) Base B	\$647B	\$666.5B	\$671.5B
Overseas Contingency Operations (OCO)/Emergence Funding	\$ 69B	\$ 71.5B	\$ 69B
Total National Defense (050)	\$716B	\$738B	\$740.5B

Border Wall Impact on NC:

- On February 15, 2019, President Trump took Executive Action to dedicate resources to his border wall plan. This includes the following:
 - \$1.375 billion contained in the Department of Homeland Security appropriations bill
 - \$601 million transferred from the Treasury Forfeiture Fund
 - Up to \$2.5 billion transferred from the DoD Counterdrug funding *SCOTUS allowed on July 26th.
 - Up to \$3.6 billion reallocated from the Department of Defense military construction projects (MILCON funding).
- POTUS has executed reprogramming of all accounts listed above.

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- September 3, 2019 – DoD announced that it would use \$3.6B military construction funding to pay for border wall construction.
- Despite the passage of the Bipartisan Budget Act of 2019, this has completely upended the appropriations process.
- Issues Stalling Appropriations
 - Border Wall Funding Amounts
 - Reprogramming Authority
 - 302 (b) Allocations
- The Senate has not produced a MILCON/VA appropriations bill because of the reprogramming issue.
- NC Projects Impacted:
 - Camp Lejeune – 2nd Radio BN Complex, Phase 2 (April 2020 award date) \$25.65 M
 - Camp Lejeune – Ambulatory Care Center Addition/Alteration (January 2020) \$15.3M
 - Seymour Johnson AFB – KC-46A ADAL for Alt Mission Storage (April 2020) \$6.4 M
- 10 U.S.C. 2808 is the legal authority used to execute the reprogramming.

What Happens to these 3 Projects?

- All three projects have already been authorized and appropriated.
- MILCON projects, by statute, must be authorized and appropriated.
- The authorization does not expire.
- The issues are backfilling the appropriations that were reprogrammed to the border wall.
- 127 MILCON projects were reprogrammed. Both CONUS and OCONUS projects.
- The reprogramming impacted Republican and Democrat Members so there is bipartisan support to backfill the appropriations.
- Bottom Line – This appropriations will be back filled at some point and projects built. How much of a delay is the real unknown?

FY20 Continuing Resolution:

- Fiscal Year 2020 began on October 1st with the Federal government being funded by a Continuing Resolution (DR).
- A CR is a joint resolution enacted by Congress that provides budget authority to Federal agencies and programs to continue operations at the previous fiscal year's enacted levels until regular appropriations are enacted.
- A CR does keep the government operating but it is harmful to the military and military installations because it does not allow new start programs or provided program specific appropriations to projects such as military construction.
- Speaker Pelosi and Leader McConnell have vowed to pass an appropriations package before the end of the year.

CR: What Happens Next?

- Tentative deal to extend the CR until December 20th
- Secretary Mnuchin and Speaker Pelosi are negotiating.

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- Within DoD and MILCON/VA Appropriations, the issue is reprogramming authority. The Democrats, and some Republicans, remain angry over the President's decision to reprogram \$3.6B of MILCON funds to border wall construction.
- Sen. Susan Collins (R-Maine), chair of the Transportation-HUN Appropriations Subcommittee, said it was her "understanding" that the White House would settle for less in the homeland security spending bill but only if Congress lets President Trump keep what he considers authority to move military construction money to the border wall.
- Thus far, the Senate has only managed to pass 4 of 12 appropriations bills: Agriculture, Commerce-Justice-Science, Interior, and Transportation -HUD.

Potential Scenarios:

- Most Likely – "CRomnibus" which is a hybrid funding bill where some government agencies are funded with a year-long CR, while others receive regular appropriations.
 - At a minimum, the 4 appropriations bills that the Senate has passed will be enacted and fund USDA, Commerce, Justice, Transportation, HUD, and Science related agencies.
 - DoD is unresolved because it creates leverage on other issues, especially 302 (b) allocations.
 - MILCON unresolved because of reprogramming authority.
 - 302(b) allocations still unresolved because of border wall request.
- Other Scenarios
 - Government Shutdown over reprogramming authority. Reason being, the President could still reprogram DoD/MILCON funds to border wall construction under a long-term CR which could prevent Democrats from agreeing to a long-term CR that does not have restrictions.
 - Full Year CR

FY20 National Defense Authorization Act (NDAA):

- Unresolved issues are preventing the FY20 NDAA from being finalized.
- Border Wall is #1. By far
- House Armed Service Committee Chairman, Adam Smith (D-WA), has said, "Trump's border wall is the overarching issue."
- Additional issues:
 - Transgender Policy
 - SBP-DIC Offset
 - Low-Yield Nuclear Weapons
- Senate Armed Services Committee Chairman, Senator Jim Inhofe (R-OK), has released a "skinny" NDAA.
- This legislation only authorizes essential programs.
- It is intended to put pressure on HASC Chairman Smith to finish negotiations.
- However, that does not appear to be working because Chairman Smith has said he will refuse to consider a "skinny" bill.
- Negotiations are ongoing.

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USMC Disaster Funding:

- Requirement - \$3.4 billion
- \$400 M transferred to USMC via reprogramming
- Supplemental – Final (June 6)
 - \$381M Operations and Maintenance (O&M)
 - \$600M MILCON
- FY20 MILCON Appropriations
 - House - \$1,210,498,000 Emergency Appropriations
 - Senate -TBD
 - Senate MILCON/VA Chairman, Senator John Boozman (R-AR) visited Camp Lejeune on May 24th.
- FY20 Defense Appropriations
 - O&M Accounts FSRM
 - House:
 - FY19 - \$6,540,049,000 (enacted)
 - FY20 - \$7,945,854,000
 - Increase - \$1,405,805,000 from FY19
 - Increase - \$4,017,809,000 over PB
 - FSRM increased \$443,292,000
 - Senate
 - TBD

Comments:

Chad Sydnor told the members that if they have anything installation specific that you are not seeing in the news and he is not talking about, please let him know. His job is to advocate for those items especially if it is federal issue. Vice Chairman Bottorff talked about the quarterly update that Chad Sydnor had put together and had been sent to the members. He asked the members to review the update and put a critical eye to the update especially the installation portion. Chad Sydnor is out there advocating for us each day, but he needs the most current information to advocate for NC. He has done some of his own fact finding, so please review this document and give Chad Sydnor and himself any feedback that you have. Chad Sydnor said that he has visited every installation. Vice Chairman Bottorff said that we should be able to take these 3-4 pages and understand what key talking points are for each installation.

CENSUS UPDATE: RON MASSEY

Bob Coats gave an update on the Census for NC.

Current Developments:

- Census Recruitment
 - Joint 2020 Census Team
 - Recruitment: At least \$13.50 per hour plus gas and expenses
 - Apply online: 2020census.gov/jobs[census.nc.gov](https://jobscensus.nc.gov)
- Awareness and Promotion
 - National communications campaign is ramping up.
 - Visit census.nc.gov for NC specific factsheets and resources to support.

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- I make NC Count
- North Carolina Military & Veterans Count!
- Internet Access in North Carolina: Statewide – 766,632 (19.79%)
- Questionnaire Assistance
 - Assistance in responding to the 2020 Census will be available through online chat or by phone.
 - Census staff may be available on the ground in mid-March to assist.
 - Local communities should plan to schedule Census assistance at locations with internet access.

VETERANS COUNCIL BRIEFING: EVAN THOMPSON

Evan Thompson gave a presentation from the Veterans Council. He is from Shelby, NC and served in the Marine Corps, Air Force and the Army. He has a good military background. This past year he has served as the Commander of the American Legion and in July he was elected as the Commander of the NC Veterans Council. He said that COL (R) David Hayden spoke at their last Veterans Council meeting and he asked him to come and speak at the NC Military Affairs Commission meeting about their concerns. The Veterans Councils duty is to serve the Veterans of NC and influence legislation that is passed on behalf of the Veterans. Patricia Harris was a past Commander of this Commission several years ago. Since that time our Commission has gotten slack. The comments that you made earlier that things need to be pushed by the Veterans service organizations across the state is very important. He has spoken with a legislator a few months back and he told him that he gets a lot of emails and contact from teachers but not a lot of contact from veterans. The Veterans Council has developed 4 legislative goals.

1. Provide veterans that are permanently and totally disabled as designed by the Department of Veteran's Affairs with greater property tax exclusion. Their financial situation can be very poor. The biggest push back is that the property tax effects the Counties. That is a big push back to this goal.
2. Extend the Bailey Act to cover all state and Federal Retirees. I appreciate that you have already talked about this one. David Hayden made the comment to us that maybe we first just try to get the tax relief for just the military. The issue does come in, if there would be a lawsuit. He plans to talk to the Attorney General about this matter and get him to attend their Veterans Council meeting.
3. Provide support for the passage of House Bill 64 to recognize Blue and Gold Star families. This bill does not involve any funding. We wanted this to be changed from mothers to families.
4. Support the NCDMVA funding requirements as stated in the Governor's budget request to the General Assembly. The specific item that we were concerned about is the State Veteran Cemeteries. There is virtually no funding to maintain the State Cemeteries. The Cemeteries are being maintained through receipts that they receive from families who's loved ones are buried there. We advocate for an endowment so that there could be a sum of money there to be drawn against to maintain the Cemeteries. They were funded by the Federal government but there is no federal funding to maintain them, so that is a state requirement. Those are the 4 goals of the Veterans Council but none of them have been passed. I appreciate all of your comments reference the Bailey Settlement and hope that we can work on this and be our #1 priority. He hopes that the Income Tax relief can be pushed and at some point be passed. Vice Chairman Bottorff thanked Evan Thompson for coming to the NC Military Affairs Commission and talking to the group.

DEFENSE ALLIANCE OF NORTH CAROLINA (DANC): RUTH ANDERSON

Ruth Anderson gave an update briefing on the merger. The merger has happened, and we now have the Defense Alliance of North Carolina. Ruth Anderson is the President and CEO of R&E Consultants. She is also on the Executive Board of the Defense Alliance and President of the Management Council of the Alliance. We are the merger of the NC Defense Business Association (NCDBA) which has been in existence for about 10 years. It was formed to serve as a trade organization for defense industry and subs to primes. Also, to act in their best interest and advocate for them. The NC Military Foundation was formed by a former Governor about 10 years ago also. The synergy for these 2 organizations has been a perfect fit. The NCDBA is a membership driven organization. We have many members from different organizations across the defense industry. The NC Military Foundation was founded by very top level military leaders and top level industry leaders with their goal to connect and work on the economic development piece for the military and defense industry.

Ruth Anderson said that the goals and missions for that are the same. Our mission statement is Grow North Carolina's defense economy in a way that creates new long-term investments and job opportunities. Our vision is to improve the economy of North Carolina by positioning key organizations and senior leaders to assist in the expansion of defense related business opportunities throughout the state. Also leading high-impact strategic growth initiatives and providing actionable information and networking opportunities to NC entities with defense sector interests. The other things that we were able to accomplish was to keep the leadership intact for both organizations. The DANC formed a leadership council; we have an Executive Board that really was the NC Military Foundation board and added her(Ruth) to that board. We also added a Membership Management Council which is the board of the NCDBA, and she is the President of that board. She serves on the Executive Board and the President of the Membership Management Council. The other thing is that it creates a very unique synergy in connecting businesses, industry, subs to primes, general contractors to high level leadership in the military and academia. We want to know what the gaps are. What the military and defense industry is looking for. What people are working on and what can we create synergy and relationships within our organizations. On the NCDBA side, since we are membership driven, we have forums and opportunities for people to connect. We create a great platform for that to happen. We had a legislative meeting at the Wells Fargo building yesterday and it was amazing the synergy that happened at the meeting and the conversations that went on. I think that we create an opportunity for you to use us as your sounding board and connection with what is going on with boots on the ground. We can provide you information, so please ask us questions. That is what we are in a nutshell. We have a very unique structure. It is a perfect storm to create conversations and relationships to further economic development and growth in our state in a very impactful way.

UNC SYSTEM/SB 761: SIOBHAN NORRIS

Siobhan Norris

Why We Invest in Military Student Success:

- High performers: 3.34 GPA vs. 2.94 GPA
- Complete Rigorous Degrees
 - STEM

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- Business
- Health
- Disciplined, Adaptive, Strong Work Ethic, Resilient, High Emotional Maturity
- Economic boost - \$17k more annually than non-veteran peers
- Critical skills to fill NC workforce gaps (Cyber Defense, & IT)
- \$50 + million in 2017

Board Priorities:

- Increase Enrollment
- Enhance Retention, Graduation, & Employment Success
- Strategic Partnerships
- Military Credit Database
- Flexible Programs
- Military Supportive Policies

Mission & Goals:

- Support Military Students Success
- Engage with Defense Industry
- Support Missions of NC Military Commands
- Grow NC Economy

UNC System Office Support:

- BOG Special Committee on Military & Veterans Affairs
- UNC Military Affairs Working Group
- UNC Student Veteran Association
- Military Credit Database
- Staff Professional Development Training

Growing Military Student Enrollment:

- Fall 2017: between 14,000 - 14,500
- Fall 2019: between 16,000 - 16,500

Expanding Partnerships:

- Bunker Labs
- Psych Armor
- US Coast Guard
- USA National Security Agency
- US Army
- ARL, Discover, Innovate, Transition
- Defense Alliance of North Carolina

Growing Military Culture Education:

Held a Strategic Approach to Military Student Success (SAMSS), October 11, 2109.

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2020 Military Times “Best of Vets”

Designated UNC Schools:

- UNC Pembroke
- UNC G
- ECU
- ECSU Elizabeth City State University
- UNCW
- NC State University
- Appalachian State University
- Western Carolina University

Legislative Impact:

Veterans Choice Act and Yellow Ribbon Program

Discussion: There was discussion about the UNC systems Call to Duty policy. Siobhan Norris said that we have a clear policy. ET Mitchell asked if there are other states that offer in-state tuition to military personnel and their families that are separating from the military to keep them in the State. Siobhan Norris said that federal law, The Veterans Choice Act say that you get up to 3 years and you have to abide by that law. ET Mitchell said that she is talking about the UNC system verses the Tennessee system where the policy is set by the General Assembly. Are there other state General Assembly saying that if you separate and we want to keep you here that we are going to offer you in-state tuition regardless of your tax residence. Siobhan Norris said that off the top of her head she thought it is Florida and Texas. Vice Chair Bottorff said Virginia is doing that also. ET Mitchell said that their goal is to keep the workforce in their state. We need to be as complete as the other states are to keep our veterans in this state as they are a qualified workforce. This is a recruiting tool for this state. Rodney Anderson said that there are 2 things here. The first is that our approach should be, once you are a residence and you enroll in the UNC school you are grandfathered. So, whether you leave and come back you have the same status. The second thing is why don't we make education a favorable proposition for any transitioning veteran. Make the choice easy for veterans as they transition. Kirk Warner asked Chad Sydnor if there was anything going on with expanding the cap on the GI bill? Chad Sydnor said that he would have to go back to see what they did in the recent package. Rodney Anderson said that they restricted the ability to transfer to a family member. ET Mitchell said that she is trying to understand all of the rules and regulations, but it is a complex process. Arnold Gordon-Bray said that at each installation they have an education wing that can assist them. Vice Chairman Bottorff said that we need someone to do some research on what is available in NC. Arnold Gordon-Bray said that he wanted to make this something that is actual. This is cyclical.

Vice Chairman Bottorff said that he agreed it is cyclical and we could use some people to do some research. Rep Cleveland said that he has been listening to the discussion. He said that he thought the University system should come to us with recommendations, if they want to go down that route. He

thinks that will be the easiest way to make sure that all of the bows are tied, and we don't do something that could cause a problem. The University System should look at this and say here is what we need to

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do to make sure that all of the veterans get what they deserve. Rep Cleveland asked Siobhan Norris if she was in a position to push that? Siobhan Norris said yes she could do that. She also said that they need to do a deep dive into the data and pull that information. They have some resources at the System office to look at the potential economic impact to the state if we did provide in-state tuition to more of our veterans wanting to pursue a higher education. We want to ensure that this is the right decision but from the recent trends that we are seeing an increase in out of state and a decrease in in-state. Vice Chairman Bottorff said that is pretty broad brush, but the question is why and who are the students getting out of the state? He would like something to happen between this meeting and our next meeting. He would like Siobhan Norris to coordinate with the Quality Of Life Committee and Kirk Warner. We would like some data from NC of how we do it today and where we have potential shortfalls. Also, examples of competitive states and what they are doing differently from NC. Then some actionable items for us to discuss. Kirk Warner said the key is what type of student we are talking about. If they are a military member that is retired they will normally have the GI Bill. They will be covered by the GI Bill. The second portion is the dependents. They are either covered by the bill or not. If they are not they may be covered by in-state tuition if the parents served here. Siobhan Norris said that it depends on the level of coverage that you have for you GI Bill. She said that there are a lot of nuances. Rodney Anderson said that this is a complicated matter because it also deals with many facets. He volunteers to work with Siobhan Norris to ensure that we are asking the right questions. Vice Chairman Bottorff said that he appreciated him volunteering to help with this matter.

ETHIC COMMISSION DECISION:

Vice Chairman Bottorff said that the NC Ethics Commission was reviewing whether the NC Military Affairs Commission should be a Covered Board. The Ethics Commission was having a meeting in November 14, 2019 to review our status. If the NC Military Affairs Commission's status is changed to a Covered Board then the members would be required to complete the Ethics Training and Statement of Economic Interest (SEI) documents. Kelly Jackson said that she had not heard anything from the Ethics Commission about their meeting.

OTHER BUSINESS:

Vice Chairman Bottorff asked if there was any other business that needed to be discussed today? Kelly Jackson thanked the members for their assistance with completing all of the required paperwork.

ADJOURNMENT:

Vice Chairman Bottorff requested a motion to adjourn the meeting. Kirk Warner made a motion to adjourn the meeting, seconded by Rep Cleveland and passed unanimously. The meeting adjourned at 3:57 pm.