



NORTH CAROLINA MILITARY AFFAIRS COMMISSION

Minutes for Executive Steering Group (ESG) Meeting, 4th Quarter, November 5, 2019 **Wells Fargo Building, 23rd Floor, 150 Fayetteville Street, Raleigh**

Members Present

Grier Martin, Chairman
Frank Bottorff, Base Sustainability, Chair
Kirk Warner, Quality of Life, Chair
David Hayden, Economic Dev, Chair
Paul Friday, Installation Area

Additional Attendees

Chris Hailey, LA for G. Martin
Chad Sydnor, Cassidy and Associates
Larry Coleman, NCNG Association
Kyle Turner, Air Force Veteran
Kelly Jackson

Members Not Present

Senator Harry Brown
Hon Chuck Allen, Installation Area

NCMAC Members Present

Rep George Cleveland

OPENING REMARKS: CHAIRMAN GRIER MARTIN

Chairman Grier Martin called the meeting to order at 10:02 am. Chairman Martin welcomed everyone to the Executive Steering Group (ESG) meeting and had a roll call of attendees. The Group had a quorum.

CONSENT MINUTES: CHAIRMAN GRIER MARTIN

Chairman Martin asked for a motion to approve the minutes from the 3rd Quarter meeting minutes held on August 6, 2019. Kirk Warner made a motion to approve the minutes, seconded by David Hayden and passed by a unanimous vote.

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

Secretary Hall was not able to attend the meeting due to a prior commitment. Kelly Jackson did remind the Group about the invitation to the Departments Sandhills Cemetery's Grand reopening on Thursday, November 7, 2019. The NC Military Affairs Commission members are invited to this event.

QUALITY OF LIFE (QOL) COMMITTEE: KIRK WARNER

Kirk Warner said that the QOL had a meeting on October 17, 2019 and it was a great meeting with 16 attendees and covered a lot of topics. Anytime you get the K-12 gang, Department of Public Instruction (DPI) and Military Liaison Officers (MLOs) together, you get a really lively discussion. Then you throw Rep Cleveland into the mix and it gets even more lively. At the Association of the United States Army (AUSA) meeting there was a panel for a Family Forum Town Hall that consisted of the Secretary of the Army, Chief of Staff of the Army, and the Sergeant Major of the Army. We are tracking on all of the

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Items that they talked about which were housing; Health Care; Child Development Centers and Child Youth Services; Spouse Employment; and Permanent Change of Station (PCS) moves. Then we moved to K-12 and Department of Public Instruction (DPI) items. We had a great presentation on the Purple Star Program by the working group. We would like 10 minutes at the NCMAC meeting to present the updates on the program. The program is ready to roll out and we don't think we will need any legislation unless we need to change something on the school report card. That may take a legislative tweak and we have passed that on the Rep Cleveland. In this program NC will award the Purple Star designation to those schools that demonstrate military friendly practices and commitment to students and families. The schools will submit an application packet for review to the NC advisory team and the State Council on Interstate Compact will have final approval on the Purple Star awards. The approved schools will receive recognition on the NC School Report Card and an award for the school premise. The timeline is January 2020 with full implementation and recognition April 2021, the Month of the Military Child. The packets will go out to the schools in April of 2020.

We have one big issue that we talked about which is Non-Custodial School Enrollment. Mike Archer, Legal Assistance Director from Camp Lejeune raised this issue. The issue arises when you are not on deployment orders that the non-custodial issues come up. If you go to a 6 month Intermediate Level Education (ILE) school and you need to leave you child with someone other than a parent, it becomes an issue. We are working those issues that have come up, but Mike Archer thinks that this is something we can find some work arounds. He is going to provide us with a letter, and we have also given this matter to Rep Cleveland and the Legislative Affairs Committee. Once we have worked on this issue, we can decide the best course of action. Paul Friday said that the North Carolina Commander's Council (NCCC) has written a letter and it has been circulated to all of the Installation Commanders. That letter should be given to the NCMAC very soon asking for a legislative remedy. Most of the school systems have been working the issues but we have run into a couple cases where that is not happening. Kirk Warner said that he is working with Doug Taggart, DPI and Rep Cleveland from the Legislative Affairs committee. Chairman Martin asked if there was anything needed from the Commission at this time. Kirk Warner said that there is nothing need from the NCMAC members at this time. We will get that letter from the NCCC and work with the Legislative Affairs Commission to see what we need to do next. Rep Cleveland said that the best solution is for DPI to address this issue and that is what they are looking into over there. If they say they can't do it then we will go legislative. Kirk Warner said that once we get the letter we need to share that with Doug Taggart, DPI. Chairman Martin said that if we need legislative assistance we get this issue to them timely.

Then next item was on In-State Tuition and continuity of that topic. There was a question on if someone got admitted for In-State Tuition and then their parents receive a Permanent Change of Station (PCS) order and move to another state, is that student who is enrolled entitled to In-State Tuition and for how long. There are several aspects to this, and we are trying to run that rabbit to the ground. This also includes retirees with dependents. There have been some mixed messages and we are trying to find out the truth. Rep Cleveland said that his understanding is that the law says, that if a dependent is enrolled at the state rate and the military members retires, dies or has a PCS order and the student stays in the state and has been continually enrolled, it stays at the In-State Tuition rate. Kirk Warner said that was his understanding also, but we have been getting some different information. Chairman Martin asked who Kirk Warner was working with at the University of NC (UNC) level. Kirk Warner said that he was

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working with Siobhan Norris, UNC System and would like to have her give a presentation at the NCMAC meeting about Student Veterans programs at the UNC system. Paul Friday said that the information that he was hearing is that there is miss information being given out. If we can get a good document of what is covered and what is not covered would be helpful. Kirk Warner said that maybe they could come up with a fact sheet. He thinks that we need consistent messaging and application and that would be the key to a solution. Then if there is something missing we can work on that with legislation. We also got an update from Dr. John Biggers about the Dorothea Dix Care Unit for Adolescents. He can give us an update at the NCMAC meeting this quarter or the next quarter. They were going to add a wing onto the existing facility, but they have decided to build a separate facility at the same location. They are scheduled to be open next September 2020. They are still looking for \$1.5 million. The facility will house 16 patients between ages 12-17 years old. This will be a big win for that area. We also went through the QOL priorities. Most of the priorities are continuous and push the programs. We also had a recommendation from Rep Cleveland that the NC Veterans Affairs Commission (VAC) give us an information brief on what they do. We did contact them, and their Chairman is not available for this meeting, but maybe the next quarter they could give us an informational brief. We may have issues that cross over, and we could be working together. Chairman Martin said we need to put them on the February agenda. He also said that he knew Jane Campbell, the VAC Chairman and would be communicating with her. Kirk Warner said that the 2 requests he had for the NCMAC meeting was the Purple Star and UNC system presentations. Frank Bottorff said that if Siobhan Norris could give a brief update on the In-State Tuition rules, that would be helpful. Kirk Warner said that is what he had for QOL from their committee.

Frank Bottorff said that in a prior meeting one of the NCMAC members who is a lawyer talked about farming out legal cases that were not active duty military to the localities. He asked if that was continuing to happen? David Hayden said that was called Exclusive Jurisdiction on some of the older bases like Fort Bragg and Camp Lejeune. When he was a Senior Lawyer at Fort Bragg they relinquished a portion of their Exclusive Jurisdiction to the state to allow Social Services in Cumberland County to come on base and deal with child neglect or child abuse scenarios. Otherwise they did not have jurisdiction to come on base and we could not access the state and county services that were there in NC. We relinquished a portion of our jurisdiction. We had to go to Congress to get a law passed to do that. He thought there was a move afoot to give a little bit more of the on bases jurisdiction. Every installation is different and has different rules. At Fort Bragg only the main Garrison has exclusive jurisdiction and then out in the ranges and the majority of the reservation has duel jurisdiction concurrent with the State and Federal government. Frank Bottorff said that he thought the discussion now is to allow some cases that are non-military for dependents and also civilians living aboard installations. David Hayden said that was correct because all of that was handled in federal court. That was David Hayden's job when he retired, to oversee all of the installations in Eastern NC. Frank Bottorff said that he was not sure this was good for the communities to have this because it is extra work without compensation and could be a significant workload. David Hayden said if it is in the best interest of the child, then it is worth it to get something done. He also said that things could be different at the newer bases like Cherry Point. Frank Bottorff said that Cherry Point had the same stuff and they can come onto the base for Social Services issues. He also said that it was Exclusive Jurisdiction. They also have military housing on federal property that has no jurisdiction, so that was the city and proprietary jurisdiction and not concurrent. They have proprietary jurisdiction as a land-owner, but we can't send the Military Police (MP) out to

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that military housing area in certain neighborhoods. That is a big issue. So, do we every go back and get concurrent jurisdiction? It was bought at t different time. David Hayden said that you will never see anyone turn it over to the Federal government. Kirk Warner said that the Commanders have the administrative side of that depending on where and what happened. Frank Bottorff said that he did not know if there was some type of organized push for changes.

LEGISLATIVE AFFAIRS COMMITTEE: REPRESENTATIVE GEORGE CLEVELAND

Representative Cleveland said that there was no update from the Legislative Affairs Committee. Kirk Warner said that he appreciated Rep Cleveland attending the QOL meeting and what he added to the conversation at the meeting. Rep Cleveland said that he plans to attend all of the committee meetings if he is available.

ECONOMIC DEVELOPMENT COMMITTEE: DAVID HAYDEN

David Hayden said that they met on October 8, 2019. The Economic Development Committee made a motion to approve the continued funding for NC4ME at the same amount (\$40,000). That was the recommendation to the committee. We also talked about the Cluster study that has 4 phases. The second phase has just been completed and a report was submitted. The study is on track to be completed by the end of the year. The third phase will be completed by the end of November and fourth phase completed by the end of December.

At the last ESG meeting you charged the Economic Development committee with looking into tax relief on military pay. Rep Cleveland pointed him in the direction of the 4th Branch group which is an advocacy group that is advocating for ending taxation for all retired pay for federal and state retirees. That was a much broader scope than we were looking at which was just military retirees. After reviewing their information, he reached out to Evan Thompson, Chair of the Veterans Council of NC and Randy Cash who is the Chaplain. They went to lunch the next day and they were having a Veterans Council meeting that same day. They invited David Hayden to attend that meeting and speak to the members about how the NCMAC is interested in addressing this issue. They thought it was low hanging fruit, but it is much more complicated that they thought. One of the things that needs to happen is for Veteran organizations to speak out on this topic if that is what they want to support. He advocated for them to access their membership and all of the diverse groups that make up the Veterans Council of NC and make a point to be at one of our quarterly meetings and state their position. Have a unified position. Evan Thompson who was very vocal said that they had been sitting on their rear-ends regarding legislative issues that they need to pursue. They need to identify specific targets for this coming year, so he is hoping to hear more from them. He would like to have Evan Thompson; NC Veterans Council attend the NCMAC meeting and give a presentation for about 15 minutes. Also, to tell us what their legislative initiatives are for the Veterans groups in NC. The military taxation is a big deal with them, but nothing has been done about it. He also met Geri Graham at the Veterans Council meeting. She is very active with the 4th Branch and this initiative. Her recommendation that she has been advocating for and has given David Hayden and the Chairman a lot of information. How this topic is being treated in other states and how they tax or don't tax military retired pay. The big issue and why it is complicated is that there are many reasons that go back to 1989 that allowed people who came on active duty prior to 1984, August 12; their retired pay is not taxed by the State of NC. Anyone who came on active duty on or after August 12, 1984; their retired pay is taxed. If the legislature would pass a bill that excluded

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military retired pay for the latter group, there is a concern that the federal and state retirees who are not military retirees might feel discriminated against and go down that legislative path that was done before.. Rep Cleveland said that if you go down that legal path you could be sued. David Hayden said that all of this is being discussed. He said that he did not know of any opposition in the state legislature or a lot of support but need a solution. Rep Cleveland said there is opposition in the state legislature. David Hayden said that he takes back what he just said. Rep Cleveland said that the opposition that comes to him is that this is too expensive. He responded with that is not correct. He said that fiscal notes are fine but once you pass the second year, then everything falls into place. We have had the ability in the past 8 years to look at this and do it. The leadership does not want to do this. David Hayden said that that is why we need the support of the Veterans group and Veterans Council. That there is going to be an impact if you continue to sit on this and not pursue that legislation. He thought that having Evan Thompson from the Veterans Council speak at the NCMAC meeting would help us to understand that we need to work on this topic together. David Hayden said that Geri Graham, 4th Branch is advocating for all of the groups, all state and federal groups. He thinks we should do the military first, one step at a time. Then we can come back and look at the federal and state retirees. This is very complicated, and it needs to change. From the economic development committee's perspective, they want to encourage military members to stay in NC, then quit taxing their retired pay. The selling point he used with the Veterans Council was that they are older people and aging out. If you want new members as part of your organizations, we need the younger recent retirees and the ones paying taxes on their retirement pay. Advocate for them. Use that as a recruitment tool. Frank Bottorff said that he thought there are other states that have done the military pay without doing the federal and state employees. It is not something that is illegal.

Paul Friday said that they may not have a Bailey Act. Frank Bottorff said that was a settlement and does not mean that would carry forward. Rep Cleveland said that the Bailey Act would be grounds for litigation. Frank Bottorff said that anything is grounds for litigation today. The more people that we try to tag on to this, the less chance we will have to get something done. He also said that when he travels around and talks about the NCMAC and what we are trying to do and mentions that NC is the most-friendly military State you could get thrown out of the room. They ask how you can say that around veterans when you tax their retirement. They are getting more vocal. The state needs to step up and take care of the Veterans. Larry Coleman, NC National Guard Association said that the National Guard also receives a military federal retirement, so they are working a position on this topic. He has been in discussions with Geri Graham on this topic. He is also a very active member of the local Veterans of Foreign Wars (VFW) and American Legion of Durham. He is already working from the NCNG Association perspective on the economic development piece. He has an appointment in 2 weeks about the economic development portion and what that would bring to offset the cost. He just retired a year ago and he also does other military contracting. He knows from other recent retirees that the reason that they left NC was because of taxation. There are 4 states that in that last 2 years have adopted the military tax exemption legislation. This is one of the items that the NCNG Association will be working on. Chairman Martin said that the effect we want to create is that when Rep Cleveland introduces his bill to do this and he goes to the folks that are resisting this, they have been prepped by hearing from dozens of their constituents that they want this to happen. Then the legislators could have some fear that if they don't green light Rep Cleveland's bill, they could lose in the next election. We want to appeal to their good nature that their constituents want this. David Hayden asked who the main

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opponents for this legislation? Rep Cleveland said it is Berger and Moore. He said that the Senate passed a bill in the past couple of years that would exempt active duty military pay. As soon as he told them that he was going to amend it in the House to include retiree pay for federal and state retirees, they removed it from the calendar. It went away. Frank Bottorff said that the active duty pay is an

ongoing issue and pretty big. In many states, if you are on active duty and you are stationed out of the state, you don't pay state tax during that period. That is not true in NC, so many of the military will change their residence to a state that does not tax their active duty pay. Rep Cleveland said that the studies that were done by the 4th Branch a 1.8 to 1 return and the last study was 2.5 to 1 return. David Hayden said he wanted Evan Thompson to brief at the next NCMAC meeting and also the Defense Alliance of NC. He would like them to brief on what is going on with their organizations.

David Hayden said that he attended the Association of the United States Army (AUSA) conference in DC. He said that General (Retired) Martin Dempsey received the Marshall award and currently lives in Raleigh and works at Duke University. Tony Copeland, NC Sec of Commerce and Larry Hall, Sec of the Department of Military and Veterans Affairs both attend the conference. The other attendees included David "Crockett" Long, NCMAC member; Denny Lewis, Economic Development Partnership for NC (EDPNC); and Jim McCleskey, Governors Liaison. The conference and dinner were all great opportunities for us to make connections.

David Hayden said that the Economic Development Committee had a meeting on Tuesday, October 8, 2019. We had a very good meeting. We spend a lot of time reviewing our strategic goals and priorities. We plan to capitalize on the Cluster Analysis when it is completed. We are going to know from the study what our capabilities are in the state and where industries are clustered. Also, what innovations are going on in NC. As the committee was going through this process we determined that we need 2 initiatives simultaneously going forward. The first initiative is to create a working group to identify our innovative strengths and accomplishments in NC in the defense industry using the Cluster Analysis study. The second initiative is Strategic Communications. How do we get that information about what innovation is going on in NC and what capabilities do we have in those 6 focus areas that they study has identified? How do we get that information out to the interested entities that may want to come to NC or have business in NC? Chairman Martin asked if they had any discussion or thoughts on what role state government may have? David Hayden said that Will Best, NC Commerce wants to be part of this group and EDPNC is also going to be a player in this group. We are advocating that Paul Friday be the lead if this working group since he is the Executive Director of the Defense Alliance of NC, a member of the NCMAC and has a tremendous background and experience in this area. He said that he still has a due out to Kirk Warner on his request to the Economic Development Committee on how they were assessing their priorities. This is still a work in progress.

David Hayden said that they did not have Jamie Norment from Allies for Cherry Point's Tomorrow (ACT) but he did attend the NC Military Business Center (NCMBC) annual summit in Wilmington, NC. What we are finding out from the federal government is that they have budgeted \$900 million for the rest of this year for hurricane relief and construction in NC. Then the next year will be \$1.7 billion. That is a lot of construction dollars. This is a great potential for Eastern NC in the coming years. He said that he was waiting on Arnold Gordon-Bray to send him an update from Fort Bragg. Denny Lewis gave the

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committee a great presentation from Economic Development Partnership for NC (EDPNC). He is working a lot of leads for us. Stuart Ruffin gave us an update on the Cluster Analysis. He said that he would prepare a report for the NCMAC meeting as he will not be in attendance and requests that Frank Bottorff give the update from the Economic Development Committee.

Paul Friday asked about the construction funding that David Hayden talked about. Paul Friday said that the number that he keeps hearing is \$3 billion and is that an authorized amount. Chad Sydnor said that the number is \$3.4 billion of the Navy's validated requirement. Paul Friday said that the \$3.4 billion is a requirement but unfulfilled totality. Chad Sydnor said part of it is. Frank Bottorff asked what has been funded? Chad Sydnor said that we have gotten \$400 million that had been reprogrammed from the Pakistanian Military Assistance account. Then in the Base funding and the bills that are pending now you have \$691 million Military Construction (MILCON) and \$300 million in Operations & Maintenance (O&M) money that is pending. Frank Bottorff said that is for one year and then you have the next year. Chad Sydnor said that is correct. The O&M has to get out the door because it has a one year obligation window and the MILCON has a 5 year obligation window. When we went back to the Marine Corps Headquarters and said you have a one year obligation window for O&M how much can you get out the door. They said they could get out the door \$700 million and don't give us more than that. David Hayden said that this is a lot of money for NC. Paul Friday said that it is a lot of money but what is also churning underneath is that people are taking the fact that there is uncertainty and there are a lot of caveats in there which means that we are getting miss information. We are not being informed correctly. You have to be specific in what you are saying when you talk about this money. Chad Sydnor said that is correct. What has confused people is that base funding and Overseas Contingency Operations (OCO) funding are both subject to Caps under the bi-partisan budget deal. The question becomes whether the disaster relief funding falls under the OCO caps as emergency appropriations or falls outside of it. He thinks that at the end of the day they will say it is a different pot of money and does not bump up against the OCO caps which is really overseas money. There are some concerns about this.

Larry Coleman had one comment about the AUSA Conference. The National Guard Association of the United States (NGAUS) which is similar to the AUSA conference will be hosted in Charlotte in 2021. That will have about 4000-5000 attendees from all of the states. Major industries will also attend the NGAUS. David Hayden said that the AUSA also does a mid-year conference and they are talking about having one in NC. They talked about the Fort Bragg area but would need to have it done in Raleigh area to support the event.

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

Frank Bottorff said that the Base Sustainability and Community Affairs Committee met on October 22, 2019. The major item that they talked about was the NC Department of Agriculture's Memorandum of Understanding (MOU) and this applies to NC4ME. This is a good discussion item for us. We have passed the budget and we approved \$150,000 for Sentinel Landscape and \$40,000 for NC4ME. We have the revised MOU from the NC Department of Agriculture which is identical to the last year other than the dates and NC4ME will be the same thing. Without any substantial changes to either document, do we need to take this back to the NCMAC? We have already approved the funding amounts for both of these items. Should the ESG approve these two items and then report back to the NCMAC members the

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status of these two items? Chairman Martin said that he would ask that question of the Bylaws person. Kirk Warner said that there is nothing in the Bylaws to specifically address that action. Chairman Martin said that we need to determine what the Commission as a whole would be comfortable with. Frank Bottorff said that if this was a new subject or contract that it would be taken to the NCMAC members. These are recurring items. He thought that we should report on these and see if anyone had any questions. Rep Cleveland said that if you want to move along with the contract at the NCMAC meeting, you will say that the contract/MOU have been signed. Frank Bottorff said that they will report to the Commission members that the MOU for Sentinel Landscape has been signed with no changes to the MOU for the NCMAC approved funding. Also, the Sole Source documents have been submitted to Purchasing and Contracting (P&C) for the NCMAC approved funding. Kelly Jackson said that the only change is that a NCMAC Committee is reviewing the documents that support a budget funding requesting prior to execution. Rep Cleveland said that he did not see any issue as long as the information is announced at the NCMAC meetings and a member has the opportunity to ask questions. Frank Bottorff said that we should always report on all funds being obligated. Chairman Martin asked if he needs to wait until after the meeting to sign the documents? Frank Bottorff said that with the budget approval that he has the authority to do this.

Frank Bottorff said that at the BS&CA meeting they talked about the budget and there was a copy of the undated budget in everyone's packet. The only unbudgeted items that we need to talk about is next Association of Defense Communities (ADC) conference in February 10-12, 2020. This is an Innovation Conference and hosted in San Antonio, TX. If we want to send anyone, we need to share this information with the members. The purpose of the ADC is to coordinate military host communities with the services and the federal government. One item is to help the communities and installations to work together and sustainability. Chairman Martin asked how much funding did we budget for this event? Frank Bottorff said that he thought we had put in \$10,000 and had spent less than \$5,000 of that funding. Paul Friday said that he would like to echo one thing about ADC that he does not see at other conferences. Every conference has had good speakers at all of these type conference but when people leave the conference they are not quite sure how to apply that where they are. But most of ADC is breakout sessions that talk about how they did things in their communities and a lot of question and answer time. Chairman Martin said that he thought the conferences are a good thing and just want to ensure we have funding appropriated for these events. Frank Bottorff said that there are 2 ADC conferences a year. This first conference is more educational and the second conference in DC is just as valuable but a little different. They will have some higher end speakers because it is in hosted in DC. But also, our members spend time outside the conference visiting their legislative representatives. The second conference is more for the members who have a better understanding of base sustainability. Chairman Martin asked if there were any other conferences that we needed to send our members to? Frank Bottorff said that the 3 we have normally attended are the AUSA and the 2 ADC conferences. He said that he recommends 1-3 members for each conference. Chairman Martin asked Frank Bottorff to think about a recommendation from the BS&CA committee to attend this conference. Frank Bottorff said that he thought that Mayor Chuck Allen and a group from Goldsboro would be attending the conference. Also, he and Mayor Will Lewis from Havelock would be attending. Chad Sydnor said that he would also be attending the conference.

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The other items they talked about was the Community Grants and received updates on those two grants. Those grants are the City of Jacksonville for aquafer monitoring and Carteret County/ACT for military overlay districting. They are both ongoing and making progress. We are still working on the new Community Grant process and working with DMVA to find out who will be the Grant administrator. Sec Hall will reach out to the Department of Administration to see if they can help us out again on this matter. Rep Cleveland asked to be update on this matter. We also had an update from the Department of Environmental Quality (DEQ). Another topic was grant availability for water and sewer type projects within military host communities because of the importance of quality support to your communities. We also talked about the strategic priorities and the rewrite of the NCMAC's strategic plan must be completed by 1 November 2020. He said that he was starting that process for the Request for Proposal (RFP). I will need help with that process. Chairman Martin asked Kelly Jackson to develop a backwards plan for the process. Frank Bottorff said that the Census will be here soon. Ron Massey, City of Jacksonville agreed to develop a billboard campaign and will share with the other military communities to advertise the upcoming Census. Since there was confusion over the mapping, he has been working on developing a mapping brief. He has had some discussion on that topic. He is trying to get copies of the input from the Services of the different layers, so he could show why the final NC map looked like it did. He would take 1-3 layers from each Service and then start to build the layers together to show that why it looked the way it did. This will be an informational briefing. I am just collecting information on this project. I am hoping to have about 10 slides and some bullet points for Commission members to take and use if appropriate.

BYLAWS TASK FORCE (TF): KIRK WARNER

Kirk Warner had no update for By-laws.

FINANCE AND BUDGET TASK FORCE: FRANK BOTTORFF

Frank Bottorff said that this is the updated expenditures to date. Kelly Jackson reminded the group that the NCMAC had a requirement to report to the Joint Legislative Oversight Committee on General Government no later than February 15 of each year on expenditures from the Military Presence Stabilization Fund. Chairman Martin asked Kelly Jackson to check to see if there was a requirement for a report or briefing and report. Rep Cleveland said that the Commission could give the Legislative Oversight Committee a briefing, but a report would satisfy the requirement. Chairman Martin said that the NCMAC Commission would turn in the report.

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	\$4,424.19
Office Supplies	September	\$182.10

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MISC	July – October	<u>\$441.25</u>
Total:		\$226,268.34

INSTALLATION COORDINATOR UPDATES: CHAIRMAN MARTIN

Chairman Martin asked the Installation coordinators if they had any comments.

Marine Corps Base, Camp Lejeune: Paul Friday said that he had just had a meeting at Camp Lejeune with the Command and G-7 staff. He had also invited the other 2 NCMAC members to attend that

meeting but their schedule did not permit them to attend. The meeting lasted about 2 hours. We discussed the mapping issue and the attempts by all of the Services who provided all of those layers to begin with to sort out how they will be able to make this the most transparent that they can so you can see through one layer to another layer. There are ways to do that but the bigger challenge, but not a hurdle they can't get over, is they have to file again for release of the data in the public domain. You have to do that after each time you alter a map. They understood the value for that and what those layers would represent for the mission footprint. Not making a decision for the State on how to use the data but provide that footprint so people are better grounded on how those maps work. The second issue that came up was the Interstate Compact issue which was raised by Kirk Warner in terms of the power of attorney and custody issue. Also, the gap between deployment or training issues. They are double tapping that as members we are aware that the NCCC is working on a letter to put in final draft form and then come up to the NCMAC for the next steps.

The third item that they talked about was from the NCCC perspective. They are the Secretariat for that and made the next set of discussion is for all of the Commands. Did this body want the Commands to submit any input into the Strategic Plan in an actionable sort of items? To ensure that as each committee is pulling everything together and getting input from their members if they wanted the individual commands to take a look at it across 4 of those and say this is something of high importance to us. I think that is a good idea. Chairman Martin asked what the right mechanism is to ensure that input is received. Paul Friday said that if we have all 4, at least at the higher level, they would welcome an opportunity and give them a timeline. So, if you have any input and specific items, they would welcome that opportunity. Chairman Martin said he thought that would be a good thing. Kirk Warner said that would be great, but we need to know when and how we could do this. Paul Friday said that they volunteered at the Secretariat level to get it out to the Services. Chairman Martin asked if they envision the NCCC reaching out to all of the installations to get input and them giving that input information to us? Paul Friday said yes. Chairman Martin said that sounded very efficient. Paul Friday said so if that is how we want it to go, they volunteered to do that. Kirk Warner said that this is how he would propose that. If the Committees can get back to him and he has the minutes with their synopsis of how they want to do this. If there are any changes on the actual priorities, those committees need to let me know so that we can get Kathy to put this together into a Final review document. We could provide this to the NCCC before we finalize that document. Then that final document can help the RFP and another source documents. Paul Friday said that he had a suggestion. If there are not substantive changes to the topics and just the ranking they could be working on it now. Frank Bottorff said that we don't need this for the RFP but for the process. Kirk Warner said that he wants to get this to the NCCC. Paul Friday said that if there are no changes we need to send it out now. Kirk Warner said that we need

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to get the latest copy to Paul Friday. Frank Bottorff said that he has not received the final input from the committee members for BS&CA. Chairman Martin said that the Committees need to get their final comments from their members and get that information to Kelly Jackson so she can make the final changes. Then Kelly Jackson will share that information with Paul Friday so he can share that with the Secretariat of the NCCC.

Paul Friday said that his final comment was about the miss information that is out there and how that churns back to a Command. It does not matter the topic there is a lot of untamed information out there and they raised that issue. This all goes back to the Strategic Communication of this group and getting information out there about where are the true gaps. There is a big need for a good strategic Communication plan. Rep Cleveland asked if this miss information is coming from the NCMAC members? Paul Friday said no but it is coming from the community.

Marine Corps Air Station. Cherry Point: Frank Bottorff said that we are approaching the Birthday of our beloved Marine Corps. It will be their 244th Birthday celebration. In the Eastern part of the State there are Marine Corps Balls going on.

STRATEGIC PLAN UPDATE: CHAIRMAN MARTIN

Chairman Martin asked Kirk Warner if there was an update on the Strategic Plan? Kirk Warner said that we need to drop a note to Dr. Kathy Sturgis to thank her for all of her efforts. Chairman Martin asked Chris Haley to work with Kelly Jackson to draft up something to thank Kathy Sturgis for all of her great work.

CASSIDY AND ASSOCIATES: CHAD SYDNOR

Chad Sydnor from Cassidy and Associates gave the members a legislative Update. He said that Marine Forces Special Operations Command (MARSOC) is going around and briefing the Hill that they are consolidating all of the Raider Battalions at Camp Lejeune. The 2nd and 3rd Raider Battalions are already stationed at Camp Lejeune and the 1st Raider Battalion is stationed at Camp Pendleton. They are moving ahead with the Course of Action to bring the 1st Battalion to Camp Lejeune as well. Then MARSOC will all be right there with the Command and its Support units. There are approximately 700 personnel total. The authorized end strength for MARSOC is 3,300. The NC National Guard has their 4th Battalion, 118th Infantry Regiment which is part of the 30th Armored Brigade Combat Team (ABCT) is the Bradley unit that is in North Eastern Syria guarding the oil fields. We are working with Mr. Hudson's and Senator Tillis' office on the historic building issues at Fort Bragg. Fort Bragg spends a lot of money maintaining all of these historic building. It is normally an issue on federal land that is governed by the Department of Interior and the National Park Service, but there is an element to it we are sorting through with the Garrison Commander and his legal advisors. Jim McClesky from the Governor's office is also involved. We are trying to find some type of relief that we can grant them, but we need to figure out exactly what the role of the State is in this process. Paul Friday and I have discussed this, and you may have seen that the Army Future's Command (AFC) put out a release saying that they had partnered with Texas A&M University on a \$65 million, 5 year program for research. We continue to look at that with our Senator's offices. They came here and went to Duke, NC State and the University of NC (UNC). He has also had a conversation with Special Forces Command (SOCOM) about doing a University Affiliated Research Center agreement (UARC) with NC State. NC State already does a lot of research for SOCOM, but we will

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be formalizing that process. There are a lot of UARC's out there, but the Navy and Army have the majority of these. We have put in a request to SOCOM to see if they will have a conversation with us about this and they said yes to a conversation. He passed that information on to Kathy Sidner and Siobhan Norris from the UNC Systems. The last item is that the Corps of Engineers reached out to him and their Engineer Research and Development Center (ERDC) which is located in Vicksburg, MS. They are looking for University partners for their research facility in Duck, NC. The gentleman who is working this issue in Washington has a daughter that attends East Carolina University (ECU). We have sent that along to the UNC system also. This could be a possibility for ECU. This would definitely fit with NC State because of the Civil Engineering aspect but due to the close proximity to Greenville, it could be a good fit there.

Chad Sydnor said he would move on to the bad news which is the fiscal situation of the United States government. There is a Continuing Resolution (CR) which goes until November 21, 2019 and after that is really a question mark. Senator Shelby, Chairman of the Senate Appropriations Committee has floated the idea of doing a CR until February or March but that is far from certain. Mr. McConnell and Ms. Pelosi have said that they plan to get these spending bills done by the end of the year. The issue is that the President reprogramming money from Military Construction (MILCON) to the Wall. That is what is screwing everything up. They can't get appropriations bills done because of that. Also, the Democrats in the House can put restrictions in their bills that they pass through the House. But there is no agreement on that in the Senate. The National Defense Authorization Act (NDAA) is held up primarily because of the same reason. The Navy is already preparing for a year-long CR. Now the Army is moving towards that same process. He is not sure where the Air Force is on that process. His friends on the Democrat side, especially in the House are saying that they will not agree to a year-long CR without MILCON reprogramming restrictions. Because the President could just reprogram money from that continuing funding level again to the Wall. This is the issue right now and whether or not that the Senate would agree to that or not, there are a lot of Republicans that are in favor of this, so that is why you have not seen a MILCON Veterans Affairs (VA) spending bill produced by the Senate. My old boss Chairs that Sub-Committee and he told me point blank that there are enough Republicans supporting the Sub-Committee to sustain a democratic amendment for reprogramming restrictions, so McConnell pulled it. I don't know if or when we might see a MILCON bill come out of the Senate. If they wrap it into an OMNIBUS then they have to publish it a few days in advance. I know that Senator Boozman visited Camp Lejeune and he told me that his is going to make sure that everyone is taken care of down there. I take him at this word. That is really it.

We have a bi-partisan budget agreement with top line numbers for the Fiscal Year (FY) that we are in currently and next year's FY. But how we get passed the MILCON reprogramming restrictions is the real question mark. Whether or not the Republicans agree to it or whether the President would veto it. Chairman Martin asked if he had any sense that we would get to a certain point that they just kick the can until after next year's election? Chad Sydnor said yes. That is a possibility. He thought that once they got the budget agreement, then we had gotten passed this. No one thought that the original funding pools for being reprogrammed to the Southern Boarder Wall construction were put out there, that there were 5 pools of money and MILCON was last. Most people did not think he would get to the MILCON funding just because of the politically toxic nature of it. No one on the Republican side is particularly upset on what happens to Rep Schumer and Senator Gillibrand up there but everyone looks

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at taking \$160 million from West Point and that is not real bright. This has thrown a wrench in the works. Rep Cleveland asked if this was MILCON money going forward? Chad Sydnor said that was correct. Rep Cleveland said that his understanding was that he got the money that he needs to build the Wall that he wants. So, which means, why fight. When they are in charge, they can change things back. He thought that they are going through an exercise in futility just to be obstinate. Chad Sydnor said that if Mr. McConnel could convince the President to go along with a bill that contains restrictions and especially if they are for only one year, then I think everyone could live to see another day. We have never done a year-long CR for the Department of Defense. If we go down this road we are in an anomaly. There is no past history for this. We have a number of House Republicans, Mr. Womack/AR, Ms. Granger/TX, and Mr. Thronberry/TX are out today arguing strongly against a year-long CR. There will be bi-partisan resistance and a shut down. Chairman Martin said a bi-partisan agreement to the opposition to it but no bi-partisan consensus for the alternative. Chad Sydnor said that was correct. But, it could end up in a shutdown which on the Democrat side, they are concerned that the President will weaponize it, which he will. It is a mess. Chairman Martin asked if there was any more bad news? Chad Sydnor said that is all he had. Chairman Martin told Chad Sydnor to let the NCMAC members know if there is anything from his briefing that we need to take action on. Chad Sydnor said that there is nothing at this time and every state with military installations is against a year-long CR.

ETHIC COMMISSION UPDATE: CHAIRMAN MARTIN

Chairman Martin updated the group on the what the Ethics Commission is looking at in reference to the NCMAC. The Ethics Commission reviewed changes for the NCMAC to see if this Commission should be considered a Covered Board. Kelly Jackson said that she had had conversations with Kathy Edwards from the Ethics Board on some of the legislative changes reference expenditures for the Military Stabilization Fund. With those changes, this could put the NCMAC in the category of a Covered Board. If the Ethics Board determines that the NCMAC is a Covered Board than all voting members will be required to complete the Ethics Training and Statement of Economic Interest (SEI). Currently the NCMAC members only complete the Ethics Training. The Ethics Commission will be meeting on November 19, 2019 to make that determination. Rep Cleveland said that the SEI could be a problem for some of the members. Kirk Warner asked if we could request a waiver from becoming a Covered Board or advocate a position on this matter? Frank Bottorff said that if he was going to argue against this and you look at the State law it says that we have to approve the expenditures of funds. We don't own the funds that is DMVA, but we could say that we don't spend the funds, that is done by DMVA. Rep Cleveland said that would not fly because you do spend the funds. Chairman Martin said that in the end we are the decision makers. Rep Cleveland said that DMVA can't spend any of the NCMAC's money without approval from the NCMAC. Frank Bottorff said that was correct without our permission. Rep Cleveland said that the NCMAC spends the money. Chairman Martin said that it is what it is. He asked that this topic be put on the NCMAC agenda for the next meeting to update the members that a ruling is pending or has been determined.

NEW BUSINESS: CHAIRMAN MARTIN

Chairman Martin asked if there was any new business? Kelly Jackson said that at the NCMAC meeting the members needed to approve the NCMAC minutes, Quality of Life minutes, and Legislative Affairs meetings. She also asked the committee chairmen if they had any objection to her putting together a handout for each committee of the top issues to have in the members folders for the NCMAC meeting.

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There was no objection to that request. Kelly Jackson also talked about the spreadsheet that she is tracking all of the NCMAC member requirements. She will be reaching out to the members to remind them what items she still needs from them. Frank Bottorff said that at some time we need to talk about the marketing and communications issues since we have approved money for that in the budget. We continue to miss opportunities to move on this topic. Kirk Warner said that maybe each committee should volunteer a member and someone to chair that group. Chairman Martin said that he is willing to approve that group, or do we want this group to handle this? Kirk Warner said that either could work but he likes getting more of the members involved in the process. Chairman Martin said each

Committee Chairman should task someone from their committee to be on the ADHOC/Strategic Communication team. Kirk Warner said that Chuck Allen would be a good person to be on that team and also chair that team. This has been a topic he has talked about at other meetings. Kelly Jackson said that ET Mitchell has also talked about this topic at the meetings. Chairman Martin said that this is a start and let him know if there are other recommendations.

AGENDA FOR FULL NCMAC:

DMVA Update	Secretary Larry Hall (15)	
Committee Updates	Committee Chairpersons (10 each/40)	
Task Force Updates	Task Force Chairpersons (10 each/20)	
NCCC Update	Michael Scalise (10)	
Census update	Bob Coats (5)	
DC Update	Chad Sydnor/James McCleskey (15)	ESG
Purple Star Program	Jamie Livengood/Valerie Nasser (10)	QOL Committee
UNC System	Siobhan Norris (15)	QOL Committee
Defense Alliance of NC	Paul Friday (15)	Econ Dev Committee
Veterans Council Briefing	Evan Thompson (10)	Econ Dev Committee
Ethic Commission update	Chairman Martin (5)	ESG

ADJOURNMENT: Chairman Martin asked for a motion to adjourn. David Hayden made a motion to adjourn the meeting, seconded by Kirk Warner and passed unanimously. The meeting adjourned at 12:29 pm.