It is enacted by the General Assembly as follows:

SECTION 1. Sections 30-32-4, 30-32-5, 30-32-6 and 30-32-7 of the General Laws in Chapter 30-32 entitled "National Security Infrastructure Support Fund" are hereby amended to read as follows:

**30-32-4. Administration of funds.** – (a) The commerce corporation is designated as the public corporation to administer the national security infrastructure support fund and may receive annual funding from appropriations made for that purpose. The national security infrastructure support fund shall be administered by the economic development corporation. The funds shall be separately identified with corresponding revenues and expenses within the financial statements of the economic development corporation. No charges or fees for the operating expenses of the fund, such as legal fees or appraisals related to a specific transaction, shall be allocated from the fund to the economic development corporation.

(b) Within the national security infrastructure support fund, two (2) distinct grant programs shall be established to carry out the legislative intent of the fund. They shall be known as the:

(1) Military facility protection program ("MFPP"), and

(2) The defense economy community reinvestment program ("DECRP").

**30-32-5. Allocation of funds.** Military facility protection program, – (a) The purpose of this fund is to address emergent needs relating to mission sustainment, encroachment reduction
or prevention, and base retention. All funds appropriated for the purposes of this program are eligible to be used for matching of federal funds.

(b) The specific allocation of the funds shall be determined by the economic development commerce corporation, after consultation with the fund's advisory board, and within the following program guidelines:

(1) To provide grants and loans to improve water, sewer, electric, gas, roads, rail systems, runways, navigational, or security systems relating to the support of national security infrastructures located within the state;

(2) To secure real estate and tangible property, as well as non-conservation lands, that can be used for expansion or to protect against encroachment around national security installations within the state;

(3) To support best practices in energy efficiency savings initiatives at military facilities, including renewable energy applications;

(4) To support innovative public/private partnerships in military facility operations, including utility, housing, purchasing, and transportation services; and

(5) To provide grants to increase the mission-related capabilities of the national security infrastructures located within the state.

30-32-6. Priority of funding. -- Priority of funding shall be given to allocations that provide at least a twenty percent (20%) match or supplement funds from other sources.

30-32-7. Reports. -- The economic development commerce corporation shall provide the general assembly with a biennial report documenting the allocation and uses of money from this fund.

SECTION 2. Chapter 30-32 of the General Laws entitled "National Security Infrastructure Support Fund" is hereby amended by adding thereto the following sections:

30-32-5.1. Defense economy community reinvestment program. -- (a) The purpose of this fund is to assist defense-dependent municipalities to develop and implement alternative economic diversification strategies that repurpose surplus defense facilities and properties. All funds appropriated for the purposes of this program are eligible to be used for matching of federal funds.

(b) The specific allocation of the funds shall be determined by the commerce corporation after consultation with the fund's advisory board and within the following program guidelines:

(1) Eligible applicants include defense-dependent municipalities and regions and local economic development organizations located within such communities. The program shall be administered by the commerce corporation and grant awards may be provided to support
community-based activities that:

(i) Assist communities in defense-dependent municipalities and regions to plan, analyze, and develop transitional strategies that maximize uses for surplus defense properties;

(ii) Diversify and further commercialize the local economy of a defense-dependent community; and

(iii) Encourage the development of public/private partnerships focused within the high growth fields of information technology, cyber security, engineering, and advanced manufacturing.

30-32-8. National security infrastructure support fund advisory commission. – (a)

There shall be established a permanent advisory board that shall consist of seven (7) members:

(1) One of whom shall be the secretary of commerce or his or her designee;

(2) Two (2) of whom shall be the co-chairs of the Rhode Island defense economy planning commission;

(3) Four (4) of whom shall be representatives of defense dependent communities, one named by the speaker of the house, one named by the senate president, one named by the minority leader of the house, and one named by the minority leader of the senate; and

(4) Additionally, the co-chairpersons may designate additional non-voting, ad hoc members whose technical expertise may be needed based upon national security infrastructure investment issues pending or projects submitted to the fund.

(b) This board shall be purely advisory and shall meet whenever a quorum of four (4) shall deem it necessary or at the request of the secretary when grant rounds are contemplated or in process.

(c) The co-chairs of the Rhode Island defense economy planning commission shall chair the advisory commission and its meetings.

(d) The advisory commission shall meet at the call of the chairpersons.

(e) The members of the board shall serve for a period of three (3) years.

(f) The purpose of this commission shall be to identify potential projects and to assist the secretary of commerce in evaluating projects for funding under the provisions of this chapter.

SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N   A C T
RELATING TO MILITARY AFFAIRS AND DEFENSE - NATIONAL SECURITY INFRASTRUCTURE SUPPORT FUND

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This act would create the military facility protection program and the defense economy community reinvestment program and would establish a national security infrastructure support fund advisory commission.

This act would take effect upon passage.

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