CHAPTER III

COMPARING DEFENSE CUTBACKS WITH BASE CLOSURES: HOW MUCH IS ENOUGH?

Authorization for defense spending began to decline incrementally in 1986 and accelerated as the Cold War ended during the early 1990s. Reductions in defense spending reduced the size of the military, eliminated thousands of jobs, cut back purchases of arms, and slowed the deployment of new weapons. During the period of drawing down defense forces, the Department of Defense undertook the closing of hundreds of military bases. The Secretary of Defense designated the bases to be closed on foreign soil and has since managed that process within DoD. Beginning in 1988, as a result of the Congress's approval of the Base Realignment and Closure Commission's recommendations, DoD also began to close and realign hundreds of domestic military bases. The task that the Congress, DoD, and the BRAC Commission addressed was to seek cutbacks in the domestic base structure that were consistent with reductions in the military forces without slighting defense requirements.

It is difficult to determine how many bases to close without a clearly defined scheme of requirements, priorities, weightings, and metrics. Evaluating whether the Department of Defense has closed an appropriate number of military bases requires a close examination of requirements, contingencies, and existing inventories and capacities. DoD is unable to provide detailed information about foreign bases that, in combination with available data on closing domestic bases, could make it possible to compare worldwide cutbacks in the base support structure with reductions in the size of U.S. military forces.

The Department of Defense reports, for example, that it has closed 58 percent of its overseas facilities since September 1989. That reduction corresponds roughly with the decrease—53 percent—in the number of military personnel who served abroad during the same period. DoD's figures for overseas facilities, however, include all sizes of military installations. There is therefore no uniform measure of reduction in the capacity of those bases that could be associated with the cutback in the number of personnel stationed overseas. Nevertheless, the figures suggest that cutbacks in overseas basing approximate a similar magnitude in troop withdrawals.

If one accepts the limitations of the available data, and assumes that cutbacks in the base structure approximate general measures of reductions in military forces, more closures and consolidations of domestic bases could take place. Many believe, however, that enough bases have been closed and that additional closures would jeopardize the nation's ability to respond to emerging military threats. In any event,

the various measures of the defense drawdown discussed below provide a useful frame of reference for considering whether additional closures could be warranted.

DIMENSIONS OF THE DEFENSE DRAWDOWN

Cuts in funding provide a basic measure of the defense drawdown during the past decade. Although reductions in the overall defense budget have been significant, the decrease in funding for the appropriation account most directly related to military bases—operations and maintenance (O&M)—has been relatively modest. Measured in budget authority, total defense spending has declined (in 1997 dollars) from about $404 billion in 1985 to about $258 billion in 1996—a drop of more than 35 percent in real terms.[1] Spending for O&M declined from about $111 billion to about $96 billion, about 14 percent, during the same time period. Spending for base operations and support—a budget category within the O&M appropriation—decreased by about 13 percent between 1985 and 1995. Those relatively modest reductions indicate that O&M funding, and particularly spending for base support, has declined much less than general cutbacks in defense spending.

Cutbacks in other defense appropriation accounts have been more severe than those for O&M and base operations and support. DoD's procurement of military weapons, for example, took the heaviest cut during the past decade. Budget authority for military procurement fell from $134 billion in 1985 to about $46 billion in 1995—a cutback of about 66 percent in real terms. Funding for research and development for new weapons decreased from about $44 billion to about $36 billion during the same period. Altogether, the Congress reduced annual funding for defense acquisition (including funding for procurement and research and development) by about 54 percent during the past decade; from about $178 billion to about $82 billion.

Ultimately, the size and characteristics of the supporting base structure should reflect the corresponding dimensions of the force structure and how it could be employed. The number of air bases, army installations, and naval facilities should be sufficient to house, train, and operate the wings, divisions, and fleets of the military services. No single measure of reductions in DoD's force structure can satisfactorily characterize those cutbacks in a way that relates them directly to appropriate reductions in the supporting base structures. The range of reductions in the components of the force structure, however, suggest approximate benchmarks for gauging the appropriateness of BRAC cutbacks.

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1. Budget authority refers to the authority granted by the Congress to federal agencies to enter into financial obligations that result in outlays of federal government funds. "Outlays" refers to the actual disbursement of cash necessary to meet federal financial obligations.

The Department of Defense made major reductions in force structure during the 1990-1995 period (see Table 1). DoD plans additional cutbacks in strategic, army, navy, and airlift forces by the end of the decade in accordance with the Bottom-Up Review (BUR) plan of October 1993. The BUR set the Clinton Administration's basic plan for military strategy and associated force structure. Most of the those reductions, planned for completion in 1999, have already been carried out. The number of aircraft carriers and tactical air wings are already at levels called for by the BUR. Most of the planned cutbacks in battle force ships, intercontinental ballistic missiles and sea-launched ballistic missiles have already taken place. The remaining major cutbacks include two more army divisions and 38 aircraft used for airlift.

BASE REALIGNMENTS AND CLOSURES: WHAT HAS BEEN DONE?

Measures of cutbacks in base support structure are as diverse and limited in their applicability as those describing the defense force structure. Some aggregate measures used by DoD, however, may be helpful in assessing the general relationship between the defense drawdown and cuts in the base structure. For example, DoD will close 97 out of 495 major military bases in the United States—about 20 percent—as a result of BRAC I through BRAC IV. DoD reports that when completed, those closures will reduce the plant replacement value (the cost of replacing all the buildings, pavements, and utilities at a military base) of major DoD installations by about 21 percent (see Figure 3).

How do BRAC decisions balance actions taken to close bases that are used primarily for operating forces against closures of administrative and support facilities? When BRAC is completed, DoD will have closed a significant number of bases used primarily by operating military forces. Indeed, the first two rounds of BRAC closed a large number of operating force bases in relation to bases used primarily for administrative and support functions (see Figure 4). As the Department of Defense reduces various elements of the force structure, and as BRAC is carried out, DoD will also close many of the corresponding types of bases. For example, the Air Force will cut the number of its fighter wings by about one-half and transport aircraft by about 15 percent. When all rounds of BRAC have been completed, it will close 22 major operational air bases. The Air Force reports that after BRAC has been completed, 52 of 74 major bases for active force structure units in the United States will remain operational. The Navy will close 10 of 17 naval stations to accommodate 37 percent fewer battleforce ships. It will also close 12 of 29 naval air stations, reflecting a 27 percent cut in the number of active and reserve air wings. The Army will close 10 major combat and training facilities, representing a cutback in the number of active and reserve divisions of about one-third.

TABLE 1. U.S. MILITARY FORCE STRUCTURE

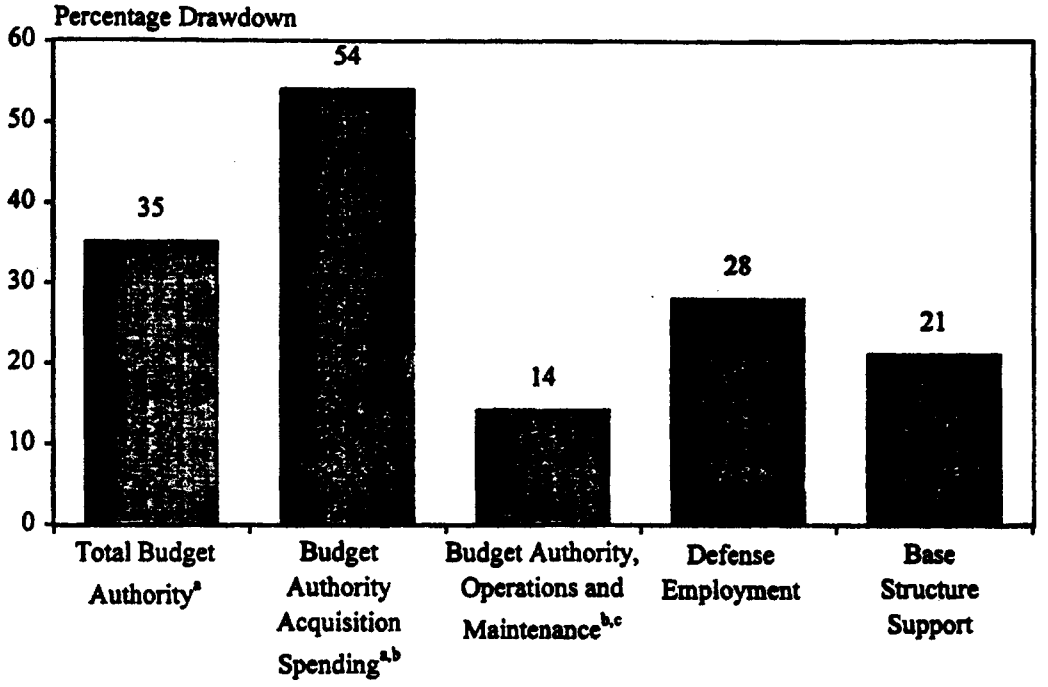
	1990	1995	1999[a]	Percent Reduction 1990-1999
Strategic Forces				
Land-based ICBMs	1,000	550	500	50
Strategic bombers	244	107	154	37
Sea-launched ballistic missiles	584	360	336	42
Land Forces				
Army active divisions	18	12	10	44
Army reserve component divisions	10	8	8	20
Marine Corps divisions	4	4	4	0
Naval Forces				
Battle force ships	546	373	346	37
Aircraft carriers				
Active	15	11	11	27
Reserve	1	1	1	0
Navy carrier wings				
Active	13	10	10	23
Reserve	2	1	1	50
Air Forces				
Tactical fighter wings				
Active	24	13	13	46
Reserve	12	7	7	42
Airlift aircraft				
Intertheater	400	371	327	18
Intratheater	460	388	394	14

SOURCE: Congressional Budget Office, using data from the Department of Defense. Data for 1990 and 1995 are from the Office of the Secretary of Defense, *Annual Report to the President and the Congress* (January 1994). Data for the Bottom-Up Review are from the Fiscal Year 1996 Department of Defense Budget Briefing of the Under Secretary of Defense (February 6, 1995).

NOTE: ICBMs = intercontinental ballistic missiles.

a. Bottom-Up Review Plan, including estimates based on the Nuclear Posture Review and the Air Mobility Master Plan.

FIGURE 3. BASE REALIGNMENTS AND CLOSURES AND THE DRAWDOWN: HOW MUCH IS ENOUGH?



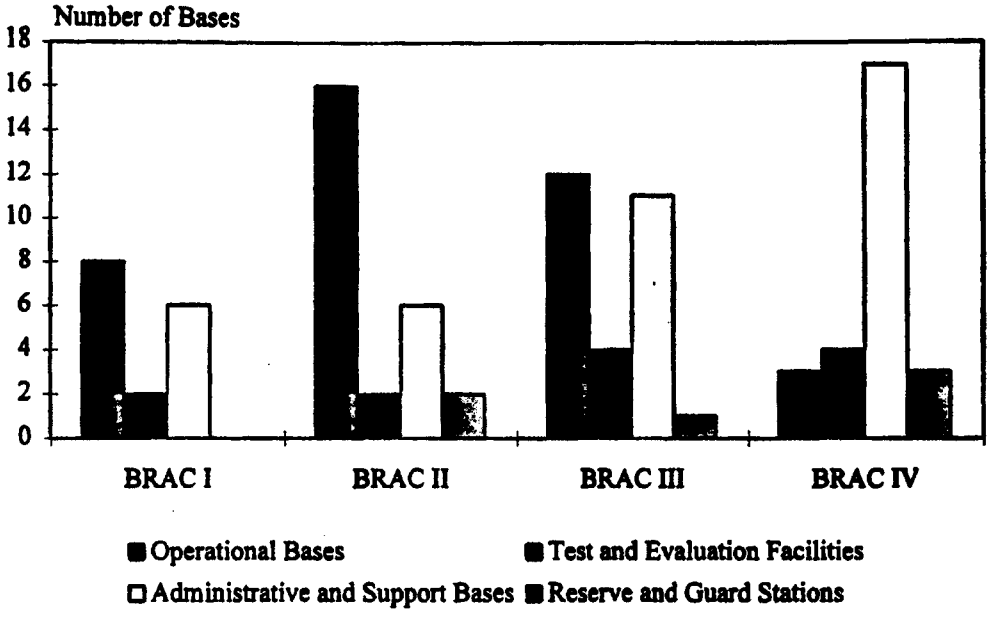
SOURCE: Congressional Budget Office, based on data from national defense budget estimate for fiscal year 1996.

a. Total reduction in budget authority, 1985-1995.

b. Aquisition spending includes procurement, research and development, and Operations and Maintenance purchases.

c. Reduction in budget authority for Operations and Maintenance, 1989-1995.

FIGURE 4. SUMMARY OF MAJOR BASE CLOSURES BY TYPE



SOURCE: Congressional Budget Office, based on Department of Defense data.

NOTE: BRAC = Base Realignment and Closure.

As a result of BRAC decisions, the Department of Defense will also close and consolidate a significant number of installations that serve primarily as administrative and personnel support. When all BRAC actions have been taken, for example, DoD will have closed 31 of 126 military hospitals, the Defense Logistics Agency will have closed nine of 27 regional distribution depots, and the Defense Contract Management Command will have reduced the number of major district contract management facilities from 10 to two.

The services are also closing a significant number of equipment repair and supply depots. Decisions were made in BRAC IV to close two major air logistical centers at McClellan Air Force Base in Sacramento and Kelly Air Force Base in San Antonio. The Navy will close three of its aviation depots, four naval shipyards, and one ship repair facility as a result of BRAC actions, and the Army will close 11 ammunition and equipment repair depot facilities.

The Department of Defense has also closed many administrative and support facilities in addition to those directed by BRAC. For example, in May 1994 the Secretary of Defense approved plans to cut back the number of Defense Finance and Accounting Service (DFAS) offices from 334 to 25. Fifteen of the remaining DFAS offices are located on military bases that the BRAC recommended be closed. Although their retention will reduce the BRAC savings initially projected by the Department of Defense, DoD estimates that the reorganization of DFAS will save between $8 billion and $9 billion (in present value terms) over the next 20 years. The DoD also cut the number of local defense contract administration offices from 144 in 1990 to 90 in 1995.

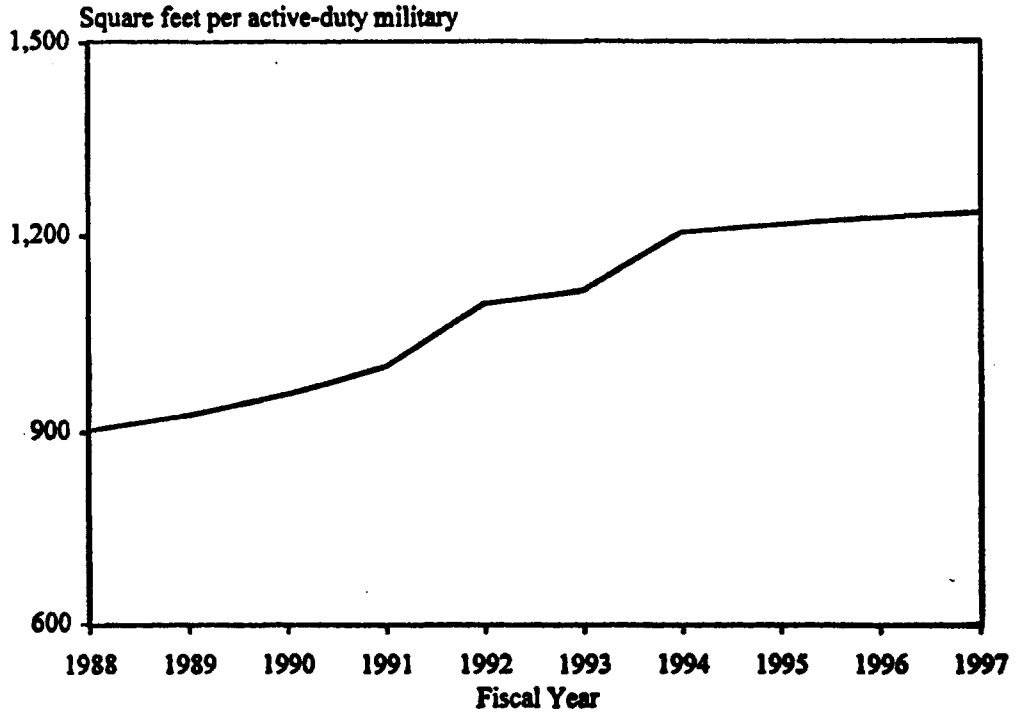
COULD ADDITIONAL DEFENSE FACILITIES BE CLOSED?

Despite the significant cutbacks in the base support structure that are already under way, additional reductions may be warranted. In February 1995, the Secretary of Defense recommended that legislative authority for the BRAC commission be extended to permit another round of base closures in three or four years. The Department of Defense Base Closure and Realignment Report of March 1995 stated that there are opportunities for further cutbacks and consolidations in the categories of depot maintenance facilities, defense laboratories, test and evaluation installations, medical facilities, and helicopter pilot training bases. The Department of Defense could further analyze future military requirements and potential costs and savings to determine if closures and consolidations are warranted in those functional areas.

Data about the relationship between the size of the infrastructure, the number of military personnel, and the cost of maintaining facilities suggest that in the future,

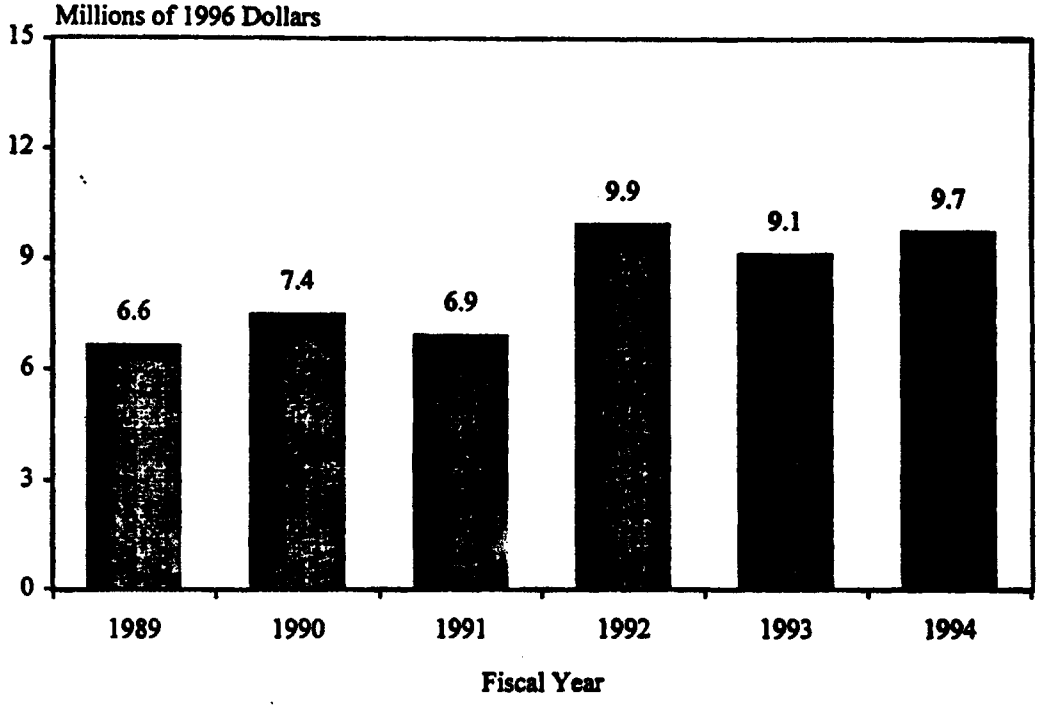
DoD may not be providing sufficient funds to cover the cost of maintaining its facilities. Between 1988 and 1997, the space per capita of defense facilities in the United States will increase from about 900 to about 1,200 square feet per person (see Figure 5). There is no apparent explanation for the need for additional space per capita. At the same time, the Department of Defense estimates that the cost of maintaining those facilities will decrease from about $11 a square foot in 1988 to about $8.50 a square foot in 1997. Given the increase in the backlog of maintenance and repair that has taken place since 1988, however, it appears unlikely that DoD will be able to preserve a constant standard of maintenance for its facilities at the lower costs that it projects (see Figure 6). If the costs of support remain at the 1988 level, rather than declining as the Department of Defense projects, DoD could be underfunding maintenance of its facilities by as much as $3.9 billion in 1997. One alternative to making up for such a shortfall could be to reduce the size of the infrastructure beyond that which the BRAC decisions have already established.

FIGURE 5. IMPACT OF BASE STRUCTURE REDUCTIONS SINCE 1988



SOURCE: Data from the Department of Defense.

FIGURE 6. DEPARTMENT OF DEFENSE ESTIMATES OF BACKLOG OF MAINTENANCE AND REPAIR



SOURCE: Data from the Department of Defense.

CHAPTER IV

PUTTING BASE REALIGNMENT AND CLOSURE INTO PRACTICE: PROGRESS TO DATE

How well is the Department of Defense meeting its obligations to close and realign military bases? Many people are concerned that DoD's way of carrying out base realignment and closure decisions is intensifying the pain of closing bases in hundreds of communities. Some observers believe that DoD is taking too long to complete the process and that communities are thus suffering from lost income, commerce, and revenues. Others have concluded that BRAC decisions are being reversed, and that DoD is not really closing bases as the Commission recommended and the Congress accepted.

Despite those concerns, there are indications that DoD is meeting its fundamental obligations and that improvements in some areas are possible.

IS THE BRAC PROCESS ON SCHEDULE?

As of September 1995, the Department of Defense had successfully met the BRAC schedule for closing military bases. The law requires that all closures and realignments must be completed within six years from the date on which the President transmits his approval of the Commission's recommendations to the Congress. DoD considers a base "closed" when all missions of the base have ceased or been relocated and all personnel assigned to the facility have either been released from service or relocated. A "realignment" is completed when a designated portion of operational missions and personnel have been discontinued or relocated in accordance with BRAC decisions.

For the initial BRAC round, actions must have been completed by September 30, 1995. BRAC II must be completed by July 1997, BRAC III by July 1999, and BRAC IV by July 2001. DoD reports that it has closed all 16 of the bases required by BRAC I and projects that closures directed by subsequent BRACs will be completed by the required dates. As of March 1996, the Department of Defense has closed 24 of 26 major bases scheduled to be closed by BRAC II and eight of 28 major bases scheduled for closure by BRAC III (see Box 1).

BOX 1.
MAJOR BASE CLOSURES

1988 Commission - 16 Major Closures

George AFB, Calif.
Mather AFB, Calif.
Norton AFB, Calif.
Presidio of San Francisco, Calif.
Chanute AFB, Ill.
Fort Sheridan, Ill.
Jefferson Proving Ground, Ind.
Lexington Army Depot, Ky.
Naval Station Lake Charles, La.
Army Material Tech Lab, Mass.
Pease AFB, N.H.
Naval Station Brooklyn, N.Y.
Philadelphia Naval Hosp, Pa.
Naval Station Galveston, Tex.
Fort Douglas, Utah
Cameron Station, Va.

1991 Commission - 26 Major Closures

Eaker AFB, Ark.
Williams AFB, Ariz.
Castle AFB, Calif.
Fort Ord, Calif.
Hunters Point Annex, Calif.
Moffett NAS, Calif.
Naval Station Long Beach, Calif.
NAV ELEC SYS ENG CTR, San Diego, Calif.
Sacramento Army Depot, Calif.
Tustin MCAS, Calif.
Lowry AFB, Colo.
Fort Ben Harrison, Ind.
Grissom AFB, Ind.
England AFB, La.
Fort Devens, Mass.
Loring AFB, Maine
Wurtsmith AFB, Miss.
Richards-Gebaur ARS, Mo.
Rickenbacker AGB, Ohio
Naval Station Philadelphia, Pa.
Philadelphia Naval Shipyard, Pa.
Myrtle Beach AFB, S.C.
Bergstrom AFB, Tex. (Active Component Only)
Carswell AFB, Tex.
Chase Field NAS, Tex.
Naval Station Puget Sound, Wash.

1993 Commission - 28 Major Closures

Naval Station Mobil, Ala.
Mare Island Naval Shipyard, Calif.
MCAS El Toro, Calif.
Naval Air Station Alameda, Calif.
Naval Aviation Depot Alameda, Calif.
Naval Hospital Oakland, Calif.
Naval Station Treasure Island, Calif.
Naval Training Center, San Diego, Calif.
Naval Air Station Cecil Field, Fla.
Naval Aviation Depot, Pensacola, Fla.
Homestead Air Force Base, Fla.
Naval Training Center Orlando, Fla.
Naval Air Station Agana, Guam
Naval Air Station Barbers Point, Hawaii
Naval Air Station, Glenview, Ill.
O'Hare IAP ARS, Ill.
NESEC, St. Inigoes, Md.
K.I. Sawyer Air Force Base, Miss.
Naval Station Staten Island, N.Y.
Plattsburgh Air Force Base, N.Y.
Gentile Air Force Station, Ohio (DESC)
Newark Air Force Base, Ohio
Defense Personnel Support Center, Pa.
Charleston Naval Shipyard, S.C.
Naval Station Charleston, S.C.
Naval Air Station, Dallas, Tex.
Naval Aviation Depot Norfolk, Va.
Vint Hill Farms, Va.

1995 Commission - 27 Major Closures

Naval Air Facility, Adak, Alaska
Fort McClellan, Ala.
Fort Chaffee, Ark.
Fleet Industrial Supply Center, Oakland, Calif.
Naval Shipyard, Long Beach, Calif.
McClellan AFB, Calif.
Oakland Army Base, Calif.
Ontario IAP Air Guard Station, Calif.
Fitzsimons Army Medical Center, Colo.
Ship Repair Facility, Guam
Savanna Army Depot Activity, Ill.
Naval Air Warfare Center, Aircraft Division, Indianapolis, Ind.
NAWC, Crane Division Detachment, Louisville, Ky.
Naval Air Station, South Weymouth, Mass.
Fort Holabird, Md.
Fort Ritchie, Md.
NSWC, Dahlgren Division Detachment, White Oak, Md.
Bayonne Military Ocean Terminal, N.J.
Roslyn Air Guard Station, N.Y.
Seneca Army Depot, N.Y.
Fort Indiantown Gap, Pa.
NAWC, Aircraft Division Warminster, Pa.
Defense Distribution Depot Memphis, Tenn.
Bergstrom Air Reserve Base, Tex.
Reese Air Force Base, Tex.
Defense Distribution Depot Ogden, Utah
Fort Pickett, Va.

IS DOD CARRYING OUT BRAC EFFECTIVELY?

Because the Department of Defense had not closed many military installations during the period between the conclusion of the Vietnam War and the end of the Cold War, it encountered many obstacles to base closings at the outset of the BRAC process. Although DoD successfully closed all of the installations scheduled by BRAC I on time, there were initial difficulties related to questions of environmental cleanup, transfer and sale of excess property, and relations with communities regarding reuse planning.

Succeeding rounds of BRAC indicate that the Department of Defense now hopes it can proceed more quickly than it did in BRAC I. By the fourth year of putting BRAC I into effect, for example, DoD had closed only 22 percent of the bases scheduled for closures. According to current schedules, by the fourth year of implementation, BRAC II had closed about 73 percent of its slated bases and BRAC III will close almost 50 percent of the total number of bases due to be closed (see Figure 7).

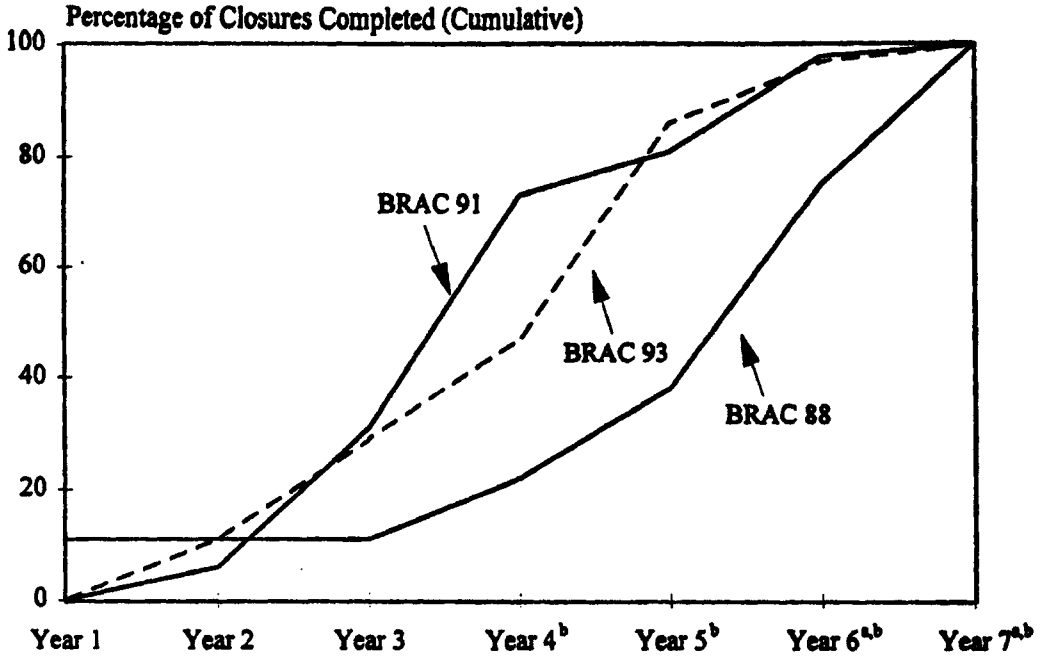
Closing bases more quickly and efficiently can facilitate their reuse and help communities recover quickly from the economic effects of the change. Planning for the reuse of former military bases is a key element in the success of the closure process. The more rapidly plans are made for reusing facilities and property, the sooner those assets can be put to use. Indeed, reuse plans are required before the transfer of property to nonfederal jurisdictions can take place.

Planning for reuse, however, can be a time-consuming process. The Defense Base Closure and Realignment Act of 1990 (as amended), for example, requires the Secretary of Defense to consult with local authorities about their plans before transferring former military property. The law also states that the Secretary of Defense and the Secretary of Housing and Urban Development must review and approve the reuse plan of a local redevelopment authority before transferring property to assist the homeless. In addition, DoD guidelines require that redevelopment authorities must complete a reuse plan before the Department of Defense can transfer property for economic redevelopment and job creation.[1]

Comprehensive planning for reuse, however, involves a diverse group of community interests as well as representatives of various local and federal jurisdictions. Agreement among those parties can be difficult and time consuming. According to Department of Defense figures, the average time taken to complete reuse plans for BRAC I bases has been about two and one-half years. DoD estimates

1. Department of Defense, *Base Reuse Implementation Manual* (July 1995), p. 7-4.

FIGURE 7. COMPARISON OF THE TIMING OF BASE CLOSINGS FOR BASE REALIGNMENTS AND CLOSURES (BRACs) 1988, 1991, AND 1993



SOURCE: Data from the Department of Defense.

a. BRAC 91 data for this year is expected, not actual.

b. BRAC 93 data for this year is expected, not actual.

that reuse plans for BRAC III bases are being completed in an average of about one year—more than twice as fast as for BRAC I. Although communities and local jurisdictions are taking less time than previously to complete the planning process, reuse plans can be amended. They can also extend the time taken to transfer property and delay new economic activity. Renegotiations among participating planners can be time consuming. How much reuse plans are being changed, however, is unknown. Future analysis could measure the incidence of such delays by comparing the difference between the planned and actual amount of time it takes to transfer and reuse property (see discussion below on reusing former military bases).

Changes in BRAC decisions also serve as a measure of success. Frequent changes in previous decisions could cause additional costs and delays in closing and realigning bases. Since the later commissions recommended relatively few changes in earlier BRAC decisions, DoD's execution of base closures and realignments has gone relatively smoothly. The commission for BRAC III, for example, recommended that only about 7 percent of BRAC actions directed by BRAC I and BRAC II be revised. The commission's recommendations for BRAC IV would revise only about 6 percent of the total actions directed by the first three rounds of realignment and closure.

Changes in previous decisions obviously could directly affect many communities and thousands of people. Although the Commission has made relatively few revisions of earlier decisions, the impact of such changes on potential costs and savings is significant. According to DoD estimates, revised BRAC actions will generate almost $2 billion of additional net savings—about 3 percent of the total net savings for all BRACs projected for the six-year period of implementation. The Department of Defense will gain those net savings, however, at the expense of additional upfront costs. For example, DoD estimates that the changes in previous BRAC decisions resulting from BRAC III will cost the Department almost $1 billion—about 15 percent of total one-time costs of carrying out actions directed by BRAC I and BRAC II. BRAC IV revisions will cost about $700 million—about 5 percent of the total one-time costs of carrying out BRACs I through III.

In addition to the revisions of earlier BRAC decisions by the Commission, there have been other changes affecting previous BRAC actions. In May 1994, DoD announced a plan to consolidate more than 300 small Defense Finance and Accounting Service (DFAS) offices at various military bases and installations into five large existing finance centers and 20 new sites called operating locations. Fifteen of these DFAS facilities will be located on bases that had been scheduled for closure by BRAC.

Although DoD's decision to locate DFAS facilities on bases scheduled to be closed appears to alter BRAC decisions, it is consistent with federal policy governing reuse of federal property and permissible under BRAC guidelines. The Defense Base Closure and Realignment Act of 1990 (as amended) permits the Secretary of Defense to transfer property or facilities located on closing bases to other components, such as the Defense Finance and Accounting Service, within the Department of Defense.[2]

CBO has been unable to determine the extent to which relocations of DFAS activities will affect the Department of Defense's estimates of BRAC savings. Because the relocation of DFAS offices will affect more than 10 percent of the bases that are scheduled to be closed, it is possible that BRAC savings projected for base operations and support could be reduced significantly. Because relocating DFAS offices will only incur operating costs for portions of bases being closed (since they do not require the entire base in order to function), the potential impact on savings may not be extensive. The Congress may wish to know how those actions have affected the Department of Defense's estimates of BRAC savings. DoD could examine that question and revise its savings estimates for BRAC accordingly.

Although the decision to relocate DFAS offices may reduce BRAC savings, the Department of Defense estimates that consolidating DFAS facilities will otherwise yield significant savings. DoD estimates that the consolidation plan will produce between $8 billion and $9 billion (present value) in savings over the next 20 years.[3] Based on its analysis of DoD data, the General Accounting Office has estimated that savings could be as much as $2.8 billion less, however, and has recommended that the Department of Defense reconsider its plans. DoD has agreed to do so and could choose to change the number and location of DFAS offices. Changes in the existing consolidation scheme could introduce additional changes in BRAC actions that are already affected by the relocation of DFAS offices, further reduce BRAC savings, and contribute to local economic instability among communities that are affected.

HOW WILL FORMER MILITARY BASES BE USED?

Immediate reuse of former military bases is essential in minimizing losses to the local economy. Many laws and regulations govern the disposal of former military bases to facilitate the best use of surplus property and assist communities in their

2. Defense Base Closure and Realignment Act of 1990 (as amended), P.L. 101-510, 10 U.S Code 2687.

3. Measured over 20 years discounted at 6.4 percent.

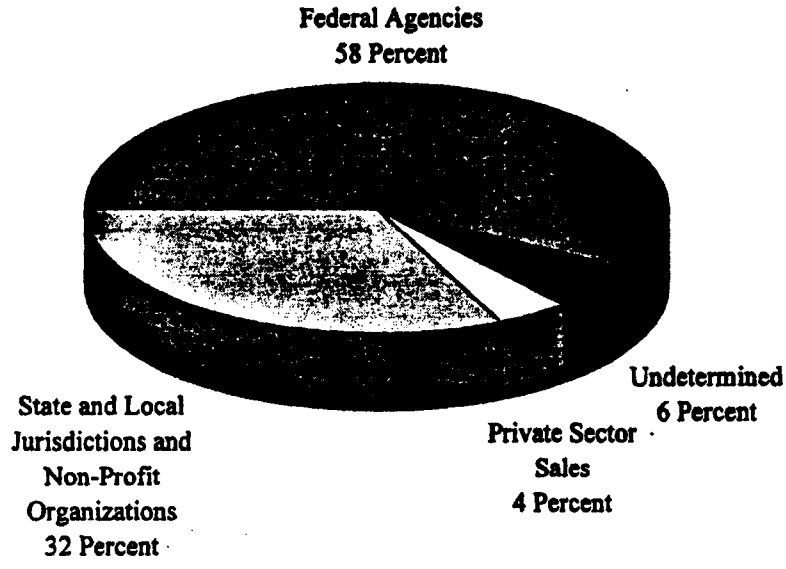
economic recovery.[4] The Department of Defense may dispose of excess property by transferring it to other components within DoD, to other federal agencies, to local jurisdictions including local redevelopment authorities, and to private purchasers. Components within DoD and other federal agencies have first priority in claiming excess departmental property. The Department may then transfer remaining property to local jurisdictions or redevelopment authorities. Private purchasers may bid on any remaining property not claimed by federal or local authorities. In order to facilitate the disposal process and be responsive to all potential users, however, DoD coordinates its decisions on reusing property with state and local authorities.

DoD may transfer excess property within the Department from one component to another to meet military needs, or to other federal agencies to meet their property requirements. The Department of Defense may convey former military property to federal agencies or local authorities for such public uses as airports, educational and health facilities, historic monuments, ports, parks and recreational areas, and wildlife preserves. The Base Closure Community Redevelopment and Homeless Assistance Act of 1994 requires DoD to consider the needs of the homeless in disposing surplus property. The Defense Base Closure and Realignment Act of 1990 gives the department the authority to transfer property to redevelopment authorities to improve economic recovery and create jobs. Other types of transfers may also take place, including returning military property to state or local governments in accordance with previous agreements and returning to the Bureau of Land Management public domain lands that had been transferred to a military department for military use.

If data for BRAC I and BRAC II bases are characteristic of all BRAC reuse plans, the federal government will retain most of the property on former military installations (see Figure 8). Data for reuse plans for 37 installations being closed by BRAC I and BRAC II indicate that the federal government will keep about 110,000 out of about 190,000 acres—almost 58 percent of the total property available for transfer. Approximately half of this real estate, about 55,000 acres, is contaminated with unexploded ordnance and is being retained by the federal government because of the risk to public health and safety and the high cost of environmental cleanup. The Department of Defense will transfer much of the contaminated property to the Department of Interior's Fish and Wildlife Service to be used as preserves for wildlife. DoD will keep about 25,000 acres—about 13 percent of the total surplus property—for such alternative military uses as offices for the Defense Finance and

4. These include the Federal Property and Administrative Services Act of 1949, 40 U.S.C. 471; the Surplus Property Act of 1944, 49 U.S.C. 47151-47153; Act of May 19, 1948, 16 U.S.C. 667b: the Defense Base Closure and Realignment Act of 1990, the Base Closure Community Assistance Act of 1993, and the Base Closure Community Redevelopment and Homeless Assistance Act of 1994.

FIGURE 8. PLANNED PROPERTY DISPOSAL FOR MAJOR BASES IN BRAC I AND BRAC II (Total area equals 190,000 acres).



SOURCE: Data from the Department of Defense.

NOTE: BRAC = Base Realignment and Closure.

Accounting Service and facilities for reserve and national guard forces. DoD plans to sell about 7,000 acres to the public. Other federal agencies will receive about 5,500 acres—about 3 percent of the surplus property—for such public uses as prisons and Job Corps training sites (see Figure 9).

Communities will use approximately 37,000 acres—about 20 percent of the total property available for transfer—for various public benefits (see Figure 10). Most of that real estate, about 26,000 acres, will be used to convert former military air bases to commercial use. Local authorities will use about 7,900 acres for parks and recreational areas and about 3,000 acres for other public benefit purposes including educational facilities, homeless assistance, and state prisons. In addition, the communities plan to use about 23,600 acres—about 12 percent of the total surplus property—for economic development and new employment.

WHAT HAVE DOD AND THE CONGRESS DONE TO CARRY OUT BRAC MORE EFFECTIVELY?

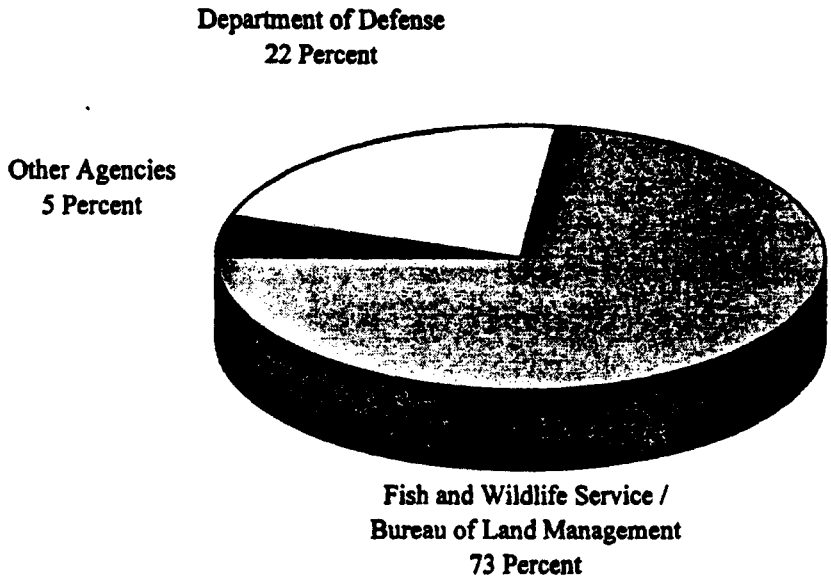
The Department of Defense and the Congress have improved the BRAC process in a variety of important ways since 1988. New legislation and management procedures have facilitated the transfer of DoD's surplus property. Other legislative changes and interpretations have reduced the immediate burden of environmental cleanup that at first threatened to obstruct the transfer and reuse of former military property. New guidelines and budgetary support for military authorities and communities have expedited planning for reuse. In addition, DoD has carried out a number of management reforms to lend support in meeting BRAC objectives.

Laws Establish Schedule To Limit Implementation Time. The process governing disposition of surplus property involves many functions and participants, and unless it is carefully managed, could be a slow one. In order to make sure that the transfer process proceeds in a timely fashion, the Congress has enacted laws that establish deadlines for its many facets (see Table 2).

An analysis of the Department of Defense's ablity to meet those legislative deadlines could be useful to the Congress and DoD in determining whether it is possible to accelerate the process of closing bases by adjusting the review process.

Leases and Parcels Accelerate Reuse of Property. Many believed at the outset of the BRAC process in 1988 that environmental problems would delay closing bases and interfere with the timely reuse of former military property. For example, the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980 (as amended) requires that "all remedial action necessary to

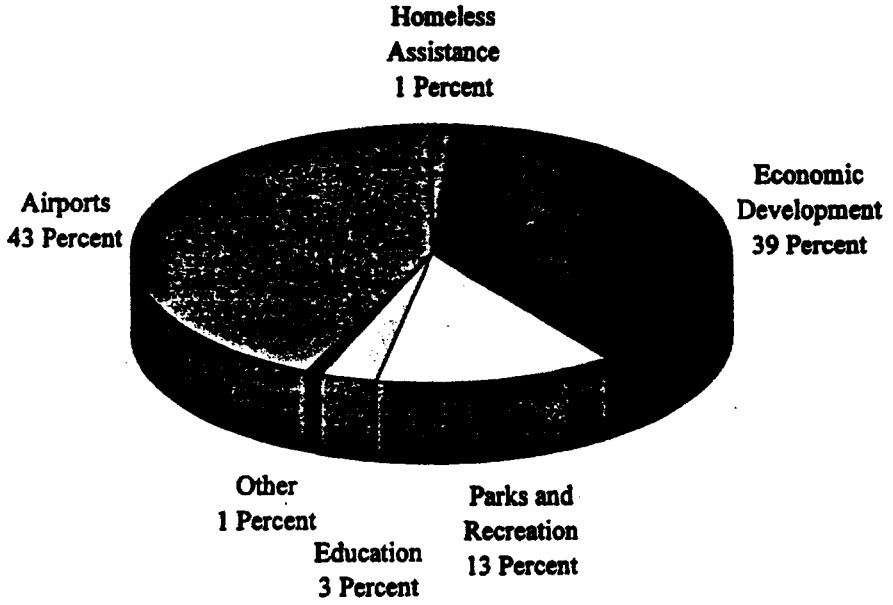
FIGURE 9. PLANNED PROPERTY DISPOSAL TO FEDERAL AGENCIES FOR MAJOR BASES IN BRAC I AND BRAC II (Total area equals 110,000 acres).



SOURCE: Data from the Department of Defense.

NOTE: BRAC = Base Realignment and Closure.

FIGURE 10. PLANNED PUBLIC BENEFIT AND ECONOMIC DEVELOPMENT TRANSFERS TO STATE AND LOCAL AUTHORITIES FOR SELECTED MAJOR BASES IN BRAC I AND BRAC II (Total area equals 61,000 acres).



SOURCE: Data from the Department of Defense.

NOTE: BRAC = Base Realignment and Closure.

TABLE 2. SELECTED STATUTORY DEADLINES FOR TRANSFERRING SURPLUS BRAC PROPERTY

Function	Activity	Deadline
Closing the base	Initiate closure approval for closure.	Two years after Presidential
	Complete closure approval for closure.	Six years after Presidential
Community Assistance	Designate transition coordinator.	Fifteen days after Congressional approval for closure.
	Consider applications for assistance from the Office of Economic Adjustment. 30 days after submittal.	Planning Grants: seven days after submittal. Community Adjustment Grants:
	Obtain regulatory concurrence on designation of uncontaminated parcels. (2) Eighteen months after Con-	Earlier of: (1) Nine months after submittal of proposed reuse. gressional approval for closure.
Property Inventory Screening and Transfer	Inventory personal property. approval for closure.	Six months after Congressional
	Make decisions about excess and surplus property.	Six months after Congressional approval for closure.
	Screen property for transfer to federal agencies.	Six months after Congressional approval for closure.
Requirements	Local redevelopment authority submits redevelopment plan to DoD and HUD (if homeless use included).	Nine months after deadline for submission of notice of interest.
	HUD reviews redevelopment plan and makes determination.	Sixty days after receipt of redevelopment plan.
	LRA revises redevelopment plan, if necessary.	Ninety days after HUD determination.
	HUD reviews revised plan, if necessary.	Thirty days after receipt of revised plan.
	HUD makes recommendations to DoD on transfers to assist homeless.	Ninety days after receipt of initial redevelopment plan.

(Continued)

TABLE 2. CONTINUED

Function	Activity	Deadline
Environmental Impact Analysis and Cleanup	Complete environmental impact statement.	Twelve months after submission of redevelopment plan:
	Complete remedial investigation/ feasibility studies.	* Commence RI/FS within six months of listing on National Priorities List. * Conclude interagency cleanup plan within 180 days after EPA review of RI/FS. * Begin cleanup within 15 months of completion of RI/FS.

SOURCE: Department of Defense, Base Reuse Implementation Manual, July 1995, pp. A-16 and A-17.

NOTES: LRA = Local redevelopment authority.
DoD = Department of Defense.
HUD = Department of Housing and Urban Development.
RI/FS = Remedial investigation/Feasibility study.
EPA = Environmental Protection Agency.

protect human health and the environment" must be taken before the federal government can transfer property to nonfederal entities.[5] Many believed that long delays were inevitable because the law required DoD to clean up the environment before it could transfer property to a new owner, a task that in some cases might take decades to complete. Although CERCLA does contain that requirement, the Defense Environmental Task Force—chartered by the Congress to find ways to expedite environmental actions affecting base closures—concluded that DoD could lease contaminated property without completing the cleanup measures required by CERCLA. Under leasing arrangements, the Department of Defense does not transfer ownership. The Base Closure Community Assistance Act of November 1993 authorized the secretaries of the military services to lease property to any individual or entity if the Secretary determined that a lease would contribute to local economic recovery efforts.[6]

The Department of Defense has applied leases widely as a way of supporting economic recovery for communities. As of June 1996, DoD signed 552 leases for former military property. In order to accelerate reuse of property, DoD delegated authority to base commanders to approve leases. In addition, DoD allowed tenants in some cases to lease property in exchange for maintaining it. By forgoing lease payments, however, the Department of Defense fails to receive revenues that could be helpful in offsetting the costs of carrying out BRAC. Many leases are short-term arrangements extending for up to five years; some, however, extend for 50 years or more. Environmental advocates are concerned that such long-term lease arrangements could be a way for DoD to avoid meeting its obligations to clean up contaminated sites. That view could lead to litigation that could delay reuse of former military property until the courts resolve the issue.

The Defense Environmental Task Force also concluded that DoD could transfer parcels of uncontaminated land or facilities, but that such areas must be clearly defined. In October 1992, the Congress enacted the Community Environmental Response Facilitation Act, requiring DoD to identify and document all uncontaminated property or parcels of land on bases being closed. In June 1994, the Department of Defense issued guidelines to the military services on the environmental review process needed to certify that a parcel of land was uncontaminated and suitable for transfer. As of September 1995, DoD had identified about 164,000 acres of land that were uncontaminated. About 76,000 of those acres were available for immediate transfer because regulating agencies had concurred in

5. Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (as amended), 42 U.S.C. 9601.

6. Base Closure Community Assistance Act of November, 1993, Subtitle A of Title XXIX of P.L. 103-160.

DoD's designation. The Department of Defense cannot say how many of those acres have been transferred to date, but DoD officials have noted that demand is limited for much of this clean property, because in many cases the property has limited potential for economic reuse.

Transfer of Property for Economic Development Aids Local Economic Recovery. Many bases are located in smaller communities that are highly dependent on the local military presence for their economic well-being. When such bases are closed, economic recovery poses a significant problem for their communities. The Congress enacted the Base Closure Community Assistance Act in November 1993 to aid those communities by authorizing DoD to transfer property free of charge or for less than fair market value for economic development and job creation. Procedures for "Economic Development Conveyances" are contained in the Code of Federal Regulations, 32 CFR Part 91. As of August 1996, DoD planned to transfer almost 43,000 acres on bases closed by the first three rounds—18 percent of the total acreage to be transferred—for local economic development.

Management Initiatives and Budget Support Improve Reuse Planning and Implementation

The Department of Defense has improved planning for the reuse of former military bases by applying new management techniques and providing additional funding for the support of communities. DoD has taken steps to improve coordination between military authorities and local communities by promoting better communications during the planning process. For example, DoD has designated a senior government official at each closing base to serve as a "transition coordinator" whose tasks include working with the community to identify its needs. The transition coordinators also work with other federal agencies to assist in the screening process and to coordinate the needs of government agencies with those of the local communities in drawing up comprehensive reuse plans.

The Department of Defense has also established a cleanup team for each closing base composed of representatives from DoD, the Environmental Protection Agency, and state environmental organizations. The cleanup teams review environmental problems on a base and create plans for correcting them, taking into account community priorities for reuse of the property. The transition coordinator works closely with base cleanup teams to make sure that information flows effectively between the military and the community, and that cleanup plans provide priority treatment for property that has a high potential for redevelopment. The

Department of Defense has also established restoration advisory boards at closing bases to keep community representatives involved in the cleanup process.

DoD has also increased funding to support communities in planning the reuse of former base property. DoD's Office of Economic Adjustment has provided support to communities to evaluate alternatives for reuse, develop marketing strategies, and prepare management plans. Grants to communities affected by base closures in BRAC I and BRAC II, for instance, increased from an average of about $85,000 in 1991 to about $600,000 in 1996. DoD plans to spend about $30 million annually on planning grants between 1997 and 2000.