PUBLIC HEARING

MILITARY BASE CLOSINGS

DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION (BRAC)

Monday, May 16, 2005

Hart Senate Office Building, Room SH-216

Washington, D.C.

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A T T E N D A N C E

COMMISSIONERS:

The Honorable Anthony J. Principi, Chairman

The Honorable James H. Bilbray

The Honorable Philip E. Coyle III

Admiral Harold W. Gehman, Jr., USN (Ret.)

The Honorable James V. Hansen

General James T. Hill, USA (Ret.)

General Lloyd W. Newton, USAF (Ret.)

The Honorable Samuel K. Skinner

Brigadier General Sue Ellen Turner, USAF (Ret.)

WITNESSES:

The Honorable Donald H. Rumsfeld, Secretary of Defense

General Richard B. Myers, USAF, Chairman, Joint Chiefs of Staff

The Honorable Michael W. Wynne, Under Secretary of Defense for Acquisition, Technology, and Logistics

The Honorable Philip W. Grone, Deputy Under Secretary of Defense for Installations and Environment

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OPENING STATEMENT OF ANTHONY J. PRINCIPI, CHAIRMAN, DEFENSE BASE CLOSURE & REALIGNMENT COMMISSION

Chairman Principi: Good afternoon. I am pleased to welcome the Honorable Donald Rumsfeld, the Secretary of Defense, General Richard B. Myers, Chairman of the Joint Chiefs of Staff, and the Honorable Michael Wynne, Under Secretary of Defense for Acquisition, Technology and Logistics, to this afternoon's hearing.

There can few burdens heavier than the responsibility of waking up each morning knowing that you are answerable to the American people and to history for the defense of America's 229-year experiment in democracy. Secretary Rumsfeld, General Myers, Under Secretary Wynne, I commend you all for your decades-long careers of public service and for the vigor and energy you demonstrate daily in the exercise of your responsibilities.

The Congress entrusts our Armed Forces with vast, but not unlimited, resources. Your responsibilities to our nation and to the men and women who bring the Army, Navy, Air Force, and Marine Corps to life demand that you make the best possible use of the limited resources available to you. As I observed in the Commission's first hearing, every dollar consumed in redundant, unnecessary, obsolete, inappropriately designed or located infrastructure is a

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dollar not available to provide the training that might save a marine's life, purchase the munitions to win a soldier's firefight, or fund advances that could ensure continued dominance of the air or the seas.

The Congress recognized that fact when it authorized you to prepare a proposal to realign or close domestic bases. However, it is important to remember that the Congress directed an independent, fair, and equitable assessment and evaluation of both your proposal and the data and methodology used to develop that proposal. This Commission will provide that assessment openly and transparently, applying the criteria set forth in the statute.

If your proposals are accepted by the President and the Congress, what you propose will have profound effects on communities and on the people who bring them to life. They will also shape our military capabilities for decades to come. And that is why the Congress and the President look to us for an unbiased assessment and clear-eyed reality check.

The members of the Commission accepted the challenge and necessity of providing that assessment. We committed to the Congress, to the President, and the American people that our deliberations and decisions were to be based on the

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criteria set forth in the statute. We will examine the proposed plan and measure it against the criteria for military value set forth in the law, especially the need for the surge manning and for homeland security. We will assess your proposals' ability to support military force structure, including the reported 70,000 military personnel anticipated to return to our shores. We will consider the economic impact your proposals will have on the communities and the people who have supported our national security for decades.

We also committed that our deliberations and decisions would be devoid of politics, and that we would address our own conflicts of interest, should they arise. In addition, we will be open, independent, fair, and equitable, and we will ensure that people and communities affected by your proposals, Mr. Secretary, have, through our site visits and public hearings, a chance to provide us with direct input on the substance of your proposal and the methodology and assumptions behind it.

Mr. Secretary, General Myers, Under Secretary Wynne, in turn, we look to your, your staffs, the leadership of the Department of Defense and of the military services to provide us with complete and accurate information and expedited responses to our requests for additional data. This hearing, your statements, and your responses to our

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questions will be the first steps in that process, but surely not the last.

I look forward to our discussion this afternoon and to a continuing cooperative relationship as the Commission embarks on the arduous task, an assessment that we will complete before this summer is ended.

I now request our witnesses to stand for the administration of the oath required by the Base Closure and Realignment Statute. The oath will be administered by Mr. Dan Cowhig, the Commission's designated federal officer for administering oaths and opening and closing our hearings.

Mr. Cowhig?

[Whereupon, the witnesses were sworn.]

Chairman Principi: Thank you.

Mr. Secretary?

TESTIMONY OF HON. DONALD RUMSFELD, SECRETARY OF DEFENSE;

ACCOMPANIED BY HON. MICHAEL W. WYNNE, UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY AND LOGISTICS

Secretary Rumsfeld: Mr. Chairman, members of the Commission, we thank you for this opportunity to discuss the Defense Department's recommendations on Base Realignment and Closure, and we thank all of you for agreeing to serve our country and perform what undoubtedly will be a formidable task.

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The Department is in need of change and adjustment. The current arrangements, designed for the Cold War, must give way to new demands of the war against extremism and other evolving challenges in the world. We face an enemy that's dispersed throughout the world, does not operate the same way as the traditional enemy, has no territory to defend, no permanent bases to safeguard, and is constantly adapting, as must we.

Some have asked why we're proposing any base closures during a time of war, and the answer is because the changes are essential in helping us win in this conflict.

Consider the array of issues of concern to the Department, and, indeed, to the country: relieving stress on the force, improving the ability of the forces to cooperate jointly, protecting forces stationed at vulnerable bases and locations across the country, properly equipping the troops. If one thinks about those priorities, it clearly makes sense to do all that we can to identify and remove whatever excess exists to be better able to address those pressing needs to help the war fighters. In fact, those changes are more necessary, not less, during a time of war. At the same time, by making these changes, the American taxpayer benefits. This, in essence, is the logic and the imperative of BRAC.

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A few comments about what's been undertaken over the past two and a half years:

First, as required by law, the primary factor in each BRAC decision has been an assessment of an installation's underlying military value. Indeed, military judgments have played a key role from the outset, and properly so. In a time of war, whenever we can find ways to increase support for military needs to help the war fighters, we can do no less.

Second, the previous four BRAC rounds -- '88, '91, '93, and 1995 -- over time have eliminated what's estimated to be something in the neighborhood of 21 percent of then-existing U.S. military infrastructure and reallocating many billions of dollars to more pressing military needs. This year's recommendations, if approved, are estimated to result in up to 5.5 billion in recurring annual savings, a net savings of -- another estimate -- of up to $48.8 billion over some 20 years. When combined with the proposed changes to U.S. global posture, the projected 20-year net savings increase.

Third, for the first time, the BRAC deliberations took place with an emphasis on jointness. The Department recognized that operating jointly reduces overhead costs, improves efficiency, and facilitates cooperative training and research. Importantly, the proposed consolidations also

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free up personnel and resources to reduce stress on the force and to enhance force protection.

Additionally, the Department also considered potential contingency and surge requirements, as required by statute, and possible increases in active-duty troop levels. These recommendations, if adopted by the commissions, the President, and, ultimately, the Congress, would result in some 33 major base closures and 29 major base realignments out of some 318 major domestic military facilities. Put another way, BRAC would close a bit less than 10 percent of major U.S. military facilities, and realign something like another 9 percent, if the recommendations were approved.

BRAC will also help further the President's goal of bringing service members together under one umbrella. One way this would happen is through the consolidation of research and support and training functions of the different services at what the Department is calling centers of excellence. These centers improve the ability of the military branches to share information, adopt common standards and procedures, and increase efficiencies. These changes, in turn, boost the ability to provide critical services to the men and women in uniform.

And on that issue, let me say a few words about the proposed -- the proposal that would affect Walter Reed and

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Bethesda Naval Hospital. A number of you have visited those facilities over the years. And every time I go there to visit with the wounded and their families, I come away truly inspired and strengthened by their courage and by their dedication. And I've also met with the outstanding medical personnel there in both hospitals who are devoted to providing the very best possible medical care. So, we can be, I believe, especially encouraged by what the Department proposed to do with Walter Reed, making it an even better medical facility than today.

When the proposed consolidation is completed, the Walter Reed Medical Center at Bethesda will stand as a state-of-the-art medical center, bringing together the best-possible medical talent, and improving the treatment and other services provided to the troops and their families. These changes were proposed by the military medical professionals in the services, and focused on such priorities as improving inpatient and outpatient services, casualty-care research, potential surge capabilities, and care for retirees. The military should benefit from these changes.

While the concept of BRAC is nearly two decades old now, this country has always made changes to its military infrastructure, as required by changing times and changing

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threats. Consider that many of the state and national parks that Americans tour with their families were once functioning military bases. Fort McHenry, just a short drive from Washington, was a defensive position in the Revolutionary War, expanded into a fort in the early 1800s. One-hundred years after it served as the focal point of our national anthem, the fort was turned into a city park, later to serve as an Army hospital, and then, ultimately, as a Coast Guard station in World War II.

I'd like to provide a little background on the process behind these recommendations that are presented.

The current BRAC effort began more than two years ago with the development of a 20-year force-structure plan and a top-to-bottom inventory of U.S. facilities worldwide. In fact, one might say that the process started even earlier, with the Global Posture Review that we began in early 2001 at the request of the President. That's now something in excess of four years ago.

Indeed, the considerations related to global posture fed into the BRAC analysis, allowing the Department to anticipate and prepare for the return of tens of thousands of military personnel and their families. And the knowledge gained by the two-year Global Posture Review has informed these deliberations in important ways.

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Through extensive consultation with the service secretaries, the Joint Chiefs of Staff, and the combatant commanders, a panel of high-ranking military and civilian officials developed criteria and matrices to assess every U.S. facility, every piece of Department of Defense infrastructure in every military base in the United States, taking into account lessons learned from previous BRAC rounds.

As you know, the word "base" includes much more than what one traditionally thinks of as a base. It includes ports, airfields, industrial and research facilities, leased space, and the like.

A word about the criteria. In addition to assessments of military value, the Department also examined other key factors, including the economic impact on existing communities in the vicinities of installations, the extent and timing of potential cost and savings, the ability of existing and potential receiving communities to support forces and missions and personnel, and the environmental impact, including the impact of costs related to environmental restoration, compliance, and waste management.

I'm advised that the analysis used certified data under the process monitored by the Government Accounting Office and the Department's inspection and audit agencies. The

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Department is recommending fewer major base closures than had earlier been anticipated. This is due, in part, to the planned return of tens of thousands of troops through the Global Posture Review, and it's also a result of the decision to reduce the amount of leased space to improve force protection.

Nonetheless, the changes that will occur will affect a number of communities, communities in that past that have warmly embraced nearby military installations for a good many years. The Department will take great care to work with these communities with the respect that they have earned, and stand ready with various types of assistance.

Specifically, with the support of the President, the Department of Defense, and other departments of the government, we're prepared to provide personnel transfer and job-training assistance in collaboration with the Department of Labor, provide local economic adjustment assistance through the Department's Office of Economic Adjustment, use our authorities to accelerate and support re-use needs, and work with the Department of Commerce and other federal agencies to assist local economic recovery.

Many local economies that had been impacted by previous BRAC decisions did successfully find ways to get positive results out of a situation that at first must have seemed

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dire, which is a tribute, of course, to the ingenuity of those folks. All effective communities will not be able to replicate positive results, of course; but every effort will be made to assist them.

One unavoidable reality of the BRAC process, as with any change, is that all of the decisions made will not meet with unanimous acclaim. We've seen that already. Inevitably, Members of Congress and other elected officials will urge the Commission to reconsider these recommendations. And we understand that.

Now, let me say something about the concerns of the Members of the Congress. Back when I served in the House of Representatives, I used to tell student groups that each of those individuals is there for a reason, and, find out what that reason is, and you will have learned something important about our country and its people. So, needless to say, you, properly, should listen careful to the testimony and the presentations made by those folks.

Over the years, I've personally met with hundreds of elected representatives, Members of the House and the Senate. They take their responsibilities to their constituents very seriously, and they, understandably, want to ensure that the BRAC process proceeds with integrity and with fairness, and that all of their concerns have been

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taken into account.

Consider the exhaustive review that's just been completed. Senior military and civilian leaders examined what I'm told is an estimated 25 million pieces of data, considered some 1,000 different scenarios or approaches, and devoted some 4,000 man hours, while their staffs expended tens of thousands of hours more.

The Department now has completed its statutory role in the BRAC process. Any further decisions, deliberations or analysis will occur under the auspices of your statutory BRAC Commission, the President, and, finally, the U.S. Congress.

Because the Commission can access more information, and will have the opportunity to hear directly from potentially-impacted communities, and can hold hearings, it's possible that you may learn some things that are new and propose changes to these recommendations, as prior BRAC Commissions have done. We understand that. And we want to thank each of the Commissioners for agreeing to serve. It's an important assignment, and we appreciate the role you play.

However, I do want to offer one cautionary note as your deliberations proceed. As I mentioned, jointness among the services was introduced as a key criteria for decision-making. The Department recognizes that operating jointly

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reduces overhead costs, improves efficiencies, and facilitates cooperative training and research. And I would suggest that one must be careful about taking a selective look at individual components or pieces of these recommendations without considering how those components or pieces fit into the larger whole.

I was involved in the process that was initially established in the Department for this. Then the services made their recommendations. The joint cross-service groups then met and involved the combatant commanders. A senior military and civilian leadership of the Department then took all of that, looked at it together, and made a series of judgments as to priorities with respect to military value, priorities with respect to other aspects of it.

When it came to me, I looked at it and was convinced and persuaded that I ought not to change any of it, that were I to try to reach into the middle of it and pull a thread, that the interconnections and relationships were such that the nonintuitive effects could be not well understood by me in trying to do so.

So, my confidence is in the process, it's in the people who were involved in it. I made a conscious decision not to add anything or take anything out or change anything or make it more or make it less. I simply didn't.

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And I think that it is -- it's important to look at each piece to be sure, as presentations were made, but I would also suggest it's important to look at the totality of it and how the various pieces link with each other.

Change is never easy. Abraham Lincoln once compared trying to change the United States Army to bailing out the Potomac River with a teaspoon. In a case like this, when communities are impacted, change is particularly hard. Effective communities have legitimate arguments as to why their installation should be considered essential. And that's why the BRAC process was created, to take a long, hard, careful, unbiased look at the overall infrastructure, and make tough decisions so we can shift resources to where they're urgently needed.

Mr. Chairman and members of the Commission, the task ahead is to help move forces and resources to where they can best provide for our nation's defense. And, in doing so, you will bequeath to America an important and lasting legacy, one you can be proud of, we can all be proud of.

So, I thank you for taking on the task, and we look forward to responding to your questions.

General Myers has a statement.

TESTIMONY OF GENERAL RICHARD B. MYERS, CHAIRMAN, JOINT CHIEFS OF STAFF

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General Myers: Thank you, Mr. Chairman, and members of the Commission.

The 2005 BRAC process is vital to ensuring the United States has the best-trained, best-equipped military to meet the threats and challenges of the 21st century. I am proud of all the Armed Forces' transformational efforts and successes over the past four years. The imperative is that we must continue to transform to meet the challenges facing our country today and in the future.

BRAC is not a standalone event, but one of several interrelated processes for transforming the war fighting capability of the joint force. BRAC is properly sequenced with our national defense strategy and our national military strategy. Additionally, these BRAC recommendations are aligned with our global basing strategy, which transforms the Cold War footprint into one focused on forces that are flexible and agile. And, finally, these recommendations are in harmony with the vision and goals laid out for the ongoing Quadrennial Defense Review.

I believe these recommendations are unprecedented in several ways. First, in terms of their focus on jointness, which increases efficiency and, more importantly, improves our war fighting capability. Second, these recommendations include an important focus on the reserve component, who

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have been full partners in this war against extremism. The recommendations will help the reserve component modernize, improve their mobilization processes, and transform for the 21st-century security environment. And, third, and finally, these recommendations are unprecedented in that they account for the post-9/11 security environment, including our homeland-defense mission and force-protection concerns. Both the commander of U.S. Pacific Command and the commander of U.S. Northern Command believe these recommendations preserve their ability to protect the homeland and support civil authorities.

We have looked at our facilities from a force-protection standpoint so that we can better protect our servicemen and -women, and their families, as well as our Department of Defense civilians.

As you know, military value was the primary consideration in our BRAC decision-making process; therefore, we focused on current and future mission requirements, the availability and condition of land, facilities, and airspace for staging and training; maintaining the ability to surge; and cost of operations and manpower implications.

The process we went through was very thorough and very rigorous, and we had full joint and senior-level involvement

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from across the Armed Forces. The combatant commands provided inputs and comments throughout the process, ensuring the perspectives our senior war fighters were fully considered.

In my view, this BRAC recommendation is good for national security, as it converts excess capacity into war fighting capability and enhances our ability to operate as a joint, total-force team. It's good for the troops, providing them modern, world-class facilities. And, of course, it's good for the taxpayer.

As we continue to fight violent extremism and transform our force to meet future security challenges, the support of the American people is absolutely critical. And I'd like to recognize the tremendous support our soldiers, sailors, airmen, marines, coast guardsmen, and DOD civilians receive every day from communities across the country.

Let me close by saying thank you to the Commission. You have undertaken a very difficult and often very thankless work, but it is important and necessary work as we structure our military for the 21st century.

And I look forward to responding to your questions, as well.

Thank you.

Chairman Principi: Thank you, General.

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Mr. Secretary?

Mr. Wynne: Mr. Chairman, I don't have a statement for this panel. I'm also on panel number two and will reserve the time there to make a statement. I stand ready to support your questions, sir.

Chairman Principi: Thank you very much.

Mr. Secretary, I just might add that I think, based upon a very preliminary review of your recommendations, we noted the complexity of those recommendations, in that, you now, a military base that is slated for closure or a realignment or a gain has impacted on many other bases. And it'll make our work harder, but certainly we understand that, and we'll certainly take it into consideration as we look at the seamless whole and not just an individual military installation.

Mr. Secretary, I'd like to ask a question about the interrelationship between your BRAC recommendations and the ongoing Quadrennial Defense Review. Given that the QDR has review groups focusing on manning and force balancing, missions capability mix, and business practices, how do you ensure that you don't have the proverbial cart before the horse in making BRAC recommendations to the Commission without having the benefit of the completed QDR and, I also might add, the mobility and capability study that you have

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ongoing, the Overseas Basing Study? Is the BRAC the cart before the horse?

Secretary Rumsfeld: Oh, no. Indeed, this is something that a great deal of thought has been given to. In a department, as you know, as large and complex as the Department of Defense, there's never been a month in its history that there haven't been studies underway of various types. We have Quadrennial Defense Reviews every four years. We have budget process every period. There are constantly studies that are being undertaken. And were the world to have to stop every time there's another study that's being undertaken, obviously nothing would ever happen.

So, we have been, in this -- BRAC recommendation have been informed by previous BRAC rounds, which has been -- have been helpful, and the lessons learned there, some of which you all were involved in. This is my first one, so I'm brand new at this. It's been informed by the last Quadrennial Defense Review. It is being informed by the Quadrennial Defense Review as it's going along. And that is not a concern that we have.

Chairman Principi: Your recommendations, Mr. Secretary, include a significant reduction in the number of Air National Guard bases and aircraft, and the realignment

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of others. To what extent do the proposed BRAC recommendations and realignments and closures -- do they retain sufficient flexibility in Reserve and Guard facility capacity to meet unanticipated future needs?

Secretary Rumsfeld: Dick, do you want to respond to that?

General Myers: You bet. I -- as I mentioned in my opening statement, Mr. Commissioner, I thought the -- I think the view towards the reserve components was one of the things that was unprecedented about this particular BRAC, and, I think, very, very healthy. And if you're referring to the Air Force piece of this -- or are you referring to the total piece?

Chairman Principi: Well, the total piece.

General Myers: The total piece, Mr. Chairman?

Chairman Principi: But there is a significant reduction in Air National Guard.

General Myers: Yes. The hardware, though, goes somewhere else. And the primary thing that was behind that, from the Department of the Air Force, was to consolidate the hardware where you can get the units right-sized, if you will. What they have right now are pockets of small numbers of aircraft that are at various locations, and it makes it unwieldy when you try to assess them -- access them, excuse

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me -- access them for missions, particularly the kind of missions we're in today in Iraq and Afghanistan, and, for that matter, around the world. So the idea was to consolidate the aircraft where they become more accessible, and, at the same time, ensure that these units do not go without a mission. They become force providers for combat support and also in the UAV business, as well. So, it was a -- I think, a very good plan to bring the reserve component into the -- both the Air Reserve and the Air National Guard -- into the 21st-century security environment, making them much viable, if you will.

I don't think -- I don't think we lose any aircraft in this -- they're just -- they're just realigned, and missions are realigned. And we checked with Admiral Keating, out at Homeland Security, to make sure that the posture that was left was sufficient for the homeland-security mission, given that the Air Force Reserve components have a major piece of that mission -- I'm talking now about the air-defense mission of the United States. And his evaluation, and his staff's evaluation, was, yes, it does; it gives us a robust capacity to continue to protect this nation in the air-defense role that they've been given.

Chairman Principi: General Myers, I recognize that currently many Guard and Reserve personnel travel

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significant distances to do their Reserve and Guard training and drills, weekend drills. However, this will, I would imagine, exacerbate that situation. Do you see any adverse impact on recruitment and retention, with the distances becoming even greater, in some cases?

General Myers: I don't think, in the process that we anticipated, that we would have difficulties in recruiting and retention. I think -- and now we're talking more broadly about the entire reserve-component look. The efforts on the Army side and the Air Force side involved the senior leadership of the Guard and Reserve, in both cases, who essentially -- the senior leadership bought into this realignment, these consolidations, and closures. And, no doubt, there will be some inconveniences, where somebody that was used to drilling a couple of miles away may have to drive further for that training, but we think the training will be better; in some cases, joint, which it needs to be; as opposed to having individual armories out there, where if you want to access, again, these people to go do military missions, a lot of retraining is necessary.

I don't know that there was any absolute standard for distance driven, but, as some people know, guardsmen and reservists travel enormous distances today, depending on the unit and what they do, and so forth.

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I think we used, kind of a rule of thumb, if it was a more than 50 miles, then you'd have to think pretty seriously about it. I'm sure there are cases where there are more -- it's more than 50. And it depends on where you are and the transportation infrastructure that's around it, and so forth.

Chairman Principi: Thank you, General.

One final question. Mr. Secretary, your kickoff memo of, I think, back in November 2002 set out some goals for the BRAC process. Do you feel that your recommendations have achieved your goals, in terms of cost-savings, in terms of transformation, more jointness, that these recommendations are where you want them to be?

Secretary Rumsfeld: Mr. Chairman, we certainly feel that the recommendations that have been made by the Department clearly reflect a great deal of care as to military values, which was the first and most important criteria, that they will, in fact, assist with respect to the Department's desire to find ways to continue to improve our ability to operate jointly.

I guess the only thing I'd say is that the anticipation had been that the numbers would be larger, and, as the work went along -- I suppose this might have happened in previously BRACs, as well -- the more various factors were

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taken into account by chiefs and by the services and by the combatant commanders and by the senior leadership of the Department, the numbers ended up shrinking down to the numbers that have been presented. The numbers were moving various ways. They were -- came down partly because of the fact that we're bringing so many forces back from overseas, partly because of the fact that we are reducing lease space. And they went up somewhat because of the desire to make sure that we had the surge capability, which the Congress, needless to say, properly provided in the statute, and which we certainly agree with.

Chairman Principi: Thank you.

Mr. Bilbray?

Mr. Bilbray: Yes. Is this on?

Mr. Secretary, General, Mr. Secretary, I'm going to follow up a little bit on the question on the Guard and Reserves, because, in going through the proposed closures, like in Alabama, Alaska, Arizona, the first -- just the first page -- almost all the closures are Guard and Reserves facilities. I know staff has been nervous about the fact they haven't received a lot of certified analysis information that was supposed to come over from your Department to the staffs so that we could on to this. So, one of my questions is, When are we going to receive that

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certified material?

And the second, General Myers, I'll tell you, when I look at the amount of Guard and Reserve units being shut down -- and not units, but their facilities -- I think, as this war drags on -- and it looks like it's going to drag on for a lot longer -- and more and more Guard and Reserve units are having to be rotated out, you're going to have a real enlistment problem in the Guard and Reserves. And another -- now you're going to put them further and further away from where they go to Reserve training or Guard training. In the case of Reno, Nevada, you're sending the cargo planes that are there in Reno to Little Rock, Arkansas. That's more than a 50-mile radius from Las -- from Reno, Nevada. I hope that this has been considered, because I know Army enlistments are down, and I don't know about the other services, but the fact is, I really think you're going to have a serious problem in Guard and Reserve in a lot of these facilities. I mean, what is it? -- four-fifths of the closures here are Guard and Reserve centers, it looks like to me.

And so, there's two questions. One for the Secretary and the General. Do you really think this was a smart move? I know you're going to say, "Oh, yeah, it was a smart move." But is it --

[Laughter.]

Mr. Bilbray: -- is there any chance of reviewing these Guard and Reserve units, giving us information of how -- where these troops will have to now perform their Guard and Reserve obligations, how far from the existing facilities? And the second question is, Can we have the certified materials that were promised to us as soon as possible?

Mr. Wynne: If I might start with -- Mr. Commissioner, about the certified data, what we did was, we released the legal submission, as you know, on Friday, and -- though it was due, in fact, today -- and we're undergoing security review on all of the rest of the data. We're hoping to have that done this week. And so, I'm hoping by mid-to-late week we should have all data releasable to your staff. They've already evidenced a concern, as we do, that the aggregation of all this information is -- in this day and age, is something we want to just make sure of. And so, we are doing that. So, to your question, I'm fairly confident that by the end of this week, sir, you'll be in full speed ahead with all the necessary data.

Mr. Bilbray: General, as to the Guard and Reserves?

General Myers: You bet. I think -- you used a couple of examples there -- in most of the Air Force moves, they consolidate aircraft. For instance, the aircraft at Reno go

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where they go. It's not anticipated, necessarily, that the people at Reno that man those aircraft go with them, necessarily. They could, I guess, if that's what they want to do, because I know some people travel great distances to fulfill their Guard and their Reserve responsibilities.

But the issue is trying to get units in enough size where they're accessible in a way where every time you want to take a C-130 outfit somewhere, you don't have to go to five or six units to find enough aircraft to fulfill that mission.

So -- and it's also important to note that in all these moves, in the Air Reserves and the Air National Guard, they are -- the ratio of aircraft between the active component, the Air Force Reserve, and the Air National Guard remains the same. The ratio of aircraft. In previous rounds, I think the reserve component was not looked at as hard as it was in this round. And I think this is absolutely appropriate that it be, because we've got to posture these units for the future.

In the case of Reno, they'll still have a mission. They'll have a combat support mission. The folks that are in that mission are as essential as the folks that fly airplanes. And so, they'll retain a mission in Reno, as they will in all these bases, I believe, without exception.

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They'll retain a mission that can be accessed again for whatever military mission is needed.

Mr. Bilbray: Just -- so, if we could get the information, maybe, from Secretary Wynne, that -- how far these National Guard And Reservists are going to have to go to continue their training from these facilities that are being closed down?

Mr. Wynne: Sir, I would say it this way. As General Myers indicated, many times the Air Force has chosen to instill another mission at the base. It will be a choice made by the particular Guard and Reserve -- reservists as to whether they accept that new mission. As we move the entirety of the force towards unmanned vehicles, for example, I know the Air Force is looking at how to integrate the Guard and Reserve into that mission, which is becoming a very important mission for us, and essentially saves a lot of travel if you can pick up that mission.

What General Myers said, I think, was particularly important, because, even if you have a few airplanes in a certain base, you have a fairly large maintenance crew that has to be there to service this. So, the consolidation of the airplanes allows quite a bit of consolidation in the maintenance activities. That leaves some very good people to be combat support, as he indicated.

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So, I think it's going to be up to the reservists, but, he's right, we took a very hard look at trying to make sure that they, on their choice, do not have to go more than 50 miles farther than they did before to essentially attend some places.

And I might also add to you that in many cases you're going to find that we went to joint Guard and Reserve positions, which may list some closures, and may not list, if you will, the fact that they are moving into a larger building. Because we found out, as -- and the military was really helpful here -- we found out that the -- that they kind of like the joint arena, where they can have a larger critical mass of support personnel to assist all branches of the service.

Mr. Bilbray: So, was that answer a yes, we'll be getting the material if we -- you can provide that -- how far they have to go for us?

Mr. Wynne: Sir, I don't know that I can make individual choices for individual guardsmen, but I will --

Mr. Bilbray: No, I meant just how -- if you close a base at Skatsoon [sic], Alaska, a reserve center, and where those -- because I think you're going to have a serious problem -- I really do -- on retaining guardsmen and reservists -- how far they'll have to travel if they want to

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stay in. Of course, you can't make the decision whether they stay in or not, but I just was curious if you could give me some information. Where is the next Reserve or Guard center from the ones you're closing down?

Mr. Wynne: One nice thing is that we were -- actually did this in concert with all of the adjutant generals around the country. And so, I know they had their troops' best interests at heart. And so, General Blum may be a source of intellectual capacity on that one.

Secretary Rumsfeld: I would just add that it's important to realize that the population is not static, either. I flew in the Naval Reserve out of Gratiot, Michigan, out of Anacostia, out of Glenview, Illinois, and traveled through two or three states to get to some of those bases. And, as I moved, I would locate in different places. And that's constantly happening with the population. So we ought not to think of the population as being static.

General Myers: Let me just add one more thing, Mr. Bilbray, on the -- on the Army part, I think, as Secretary Wynne said, every Guard and Reserve move there is absolutely voluntary on part of the states. Every move. In the case of the Air Force, in the Reserves, I think they are fully behind it. And the Guard leadership is fully behind it. No doubt, individual adjutant generals will have their views of

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this. But as a base loses a flying mission, as I said, it retains the expeditionary combat support group.

This group fulfills a couple of functions. First, it's a resource that we desperately need in most any military mission. Second, it provides the governor of that state with the kind of resources that he or she may need for the contingencies that come up where they activate the Guard. And, third, it keeps us connected to the public in those areas. I mean, none of these units go away; there is a unit that stays. And I think that's a very important point in this discussion.

Mr. Bilbray: Thank you both.

Chairman Principi: Mr. Coyle?

Mr. Coyle: Thank you, Mr. Chairman.

Secretary Rumsfeld, General Myers, Secretary Wynne, thank you very much for your testimony this afternoon.

Mr. Secretary, this BRAC round is the first to be conducted in a decade; as you noted in your statement, the first to be conducted during wartime. It's also the first to be conducted at a time when Defense budgets are consistently going up. All of the past BRAC rounds were conducted when the budget was going down. It's the first BRAC round to be conducted since 9/11 and in that environment. And it's also the first to be conducted under

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a new threat matrix under the national defense strategy and the QDR framework that de-emphasizes conventional warfare and emphasizes unconventional warfare. And I was wondering if you could tell us how these factors -- there's several factors here -- produce different kinds of recommendations for this BRAC round than were typical in past BRAC rounds.

Secretary Rumsfeld: Well, I'll be happy to start on the question. There are a couple of things that come to mind immediately. One is, the global posture changes clearly are a reflection of the 21st century. The other example might be that, as Dick Myers mentioned, a base may be changing its mission from manned aircraft to unmanned aircraft, which is totally new. We hadn't had Reserve activity -- in fact, one Reserve activity is doing that, as I recall, Dick. And so, there are any numbers of factors that enter into it.

Most important is the role of the military, the combatant commanders, and the service chiefs and their deputies in the entire process. They, of course, are greatly attuned to the task, the national-security strategy that exists, and to the tasks that they're facing.

And so, they integrated all of that thinking in the process of making their recommendations.

Do you want to comment?

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Mr. Wynne: No, sir. I think -- I can't, obviously, add much value to that. But I will say this, that the reaching out that we did to the Guard and Reserve, through the National Guard Bureau and through the combatant commanders, gave this, I think, a very different flavor. But one of the features that I'm sure one of you all noticed is the Secretary, when he architected this BRAC, involved joint cross-service groups, which was the very first time that he gave, if you will, a crosscutting horizontal look through all three services. And those joint cross-service groups, I think, probably, this time, were able to surface their recommendations to the senior leader group. And I think that had a more profound impact.

One of the other things that you might realize, as you probably have, is that there were four rounds of BRAC before this. And so, a lot of, if you will, the bases and ports that were -- the individual services might consider to be excess were, in fact, fairly well sourced at that point in time. And so, this was a more deliberate look, a cross-service look. And then we were informed by the various studies that are underway, particularly, the integrated Global Posture Review, and each of the combatant commanders took a very hard look, and, in fact, submitted some very cogent comments, to allow us to conclude.

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Secretary Rumsfeld: Two other things come to mind, Commissioner Coyle. One is the -- since 9/11, the issue of force protection, of course, in the United States has changed dramatically. And, second, since 9/11, the Department now has a focus on homeland defense, which had not been fashioned the way it is today, as you know well from your experience in the Department.

Mr. Coyle: If I could just follow up, from the materials that we've gotten so far, it looks like there is some potentially very large swings, one way or the other, which are not reflected in the materials we've gotten so far. For example, in our last hearings, in the first week of May, we were told that 70,000 military personnel were going to be coming back to the United States, but, in the materials we've gotten so far, only about -- less than 15,000 of those are accounted for. And as I read the interim report from the Overseas Basing Commission, they are sort of saying, "Don't do this now. Don't" -- General Eisenhower, with whom General Myers has been compared so favorably, had a saying, "Let's not make our mistakes in a hurry."

[Laughter.]

Mr. Coyle: And it sounds to me like that's what the Overseas Basing Commission is saying, also. And so,

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depending on how the Department responds, this Commission either has 55,000 troops to deal with that are not addressed in the materials that we've gotten so far, or perhaps they are, depending on how the Overseas Basing Commission thing comes out. And then there's another 30,000 or so Army soldiers, additions to the U.S. Army, that we read about in the newspapers that don't seem to be addressed.

So, we see some very large numbers that could go one way or the other. And my question is, How is the Department going to deal with all of this?

Secretary Rumsfeld: The work that's going on, on adjusting our global posture, has been going on, as I said, for about four years. The estimate currently is that it will eventually amount to something like plus or minus 70,000 military and 100,000 dependents. It will not happen like that. It will be a matter where we will -- are in the process already of determining which is our first choice as to what we would do when, and then working with those countries and beginning the process of shifting both overseas and back, trying to do it in a manner with our allies that's respectful of them and their communities, and doing it in a way that gives the United States the greatest flexibility in the use of our forces, to the extent they're going to be located outside of the United States. That's a

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process that will then cause us to go to Country A, our first choice, have a discussion, decide whether or not we think that's acceptable; if it isn't, go to Country B and see if there's a more acceptable approach to give the American people the flexibility of using their forces that their taxpayers' dollars deserve.

Now, that means that it will play out over a sustained period of time. There's a high degree of confidence on the people -- on the part of the people who have been involved in this -- BRAC recommendations -- that they have a clear understanding of what very likely will ultimately come back. And the question as to when, the timing depends on the negotiations with those countries, the costs, and how we phase it in.

But we are absolutely persuaded that the work that's been done on global posture has been well done, and that we know how we're proceeding. I'll be quite honest, I think the Overseas Basing Commission was unhelpful in many respects, in that it -- our people tell me, after study of what they've got -- that some of the information may have been classified. Some of the information we already know, that was posted on their Website, has given concern to some of the countries we've been negotiating with, because it reveals our negotiating position in a way that we haven't

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previously discussed with the other countries, which is notably unhelpful. And, third, that they feel that the -- some of the conclusions in there, some of the factual information, is not completely correct.

So, we're in the process of working with them to try to sort through that, but I think you will find, when the data comes over, that it's going to fit; it just isn't clear exactly what the timing would be, because it takes time to engage in these kinds of negotiations.

Mr. Coyle: Thank you.

Thank you, Mr. Chairman.

General Myers: Can I just tag onto that? Just on the work we've done on our overseas basing posture. I don't think it comes across every time we talk about this subject, but this was not just a DOD plan. This was a U.S. Government plan. This was worked very hard in the interagency with the Department of State and others to consider all the implications that we could on adjusting our footprint. And I think I'm right in saying that -- well, I know I'm right in saying that all the combatant commanders played a very integral part in this, but particularly, I think, the overseas combatant commanders were the genesis for most of the ideas, and brought those ideas forward to be reviewed and were part of the process as we took a look at:

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What should our footprint look like in the future?

So, it was -- it's been going on now for many years. As the Secretary said, it was a U.S. Government effort, not just the Department of Defense, and I think we're very confident that we're not going so fast here that we're going to disrupt something very good. In fact, I think just the opposite's true, if we don't make some of this happen, we're going to be stuck in the Cold War, in that mindset, for a long time to come, which would be unfortunate.

Chairman Principi: Admiral Gehman?

Admiral Gehman: Thank you, Mr. Chairman.

Mr. Secretary, unfortunately, I have a little bit of laryngitis, so I can't ask you very many questions.

Secretary Rumsfeld: That's all right.

[Laughter.]

Admiral Gehman: First of all, I'd like to make two points. Thank you and General Myers for appearing. It's enormously helpful to hear directly what you intended and what your views are, rather than through an intermediary.

And the second point I'd like to make is how important it is for this Commission to get that data and justification sheets. I would make two examples, one of which Mr. Coyle has already brought up. It's commonly reported that about 70,000 troops are coming home, and we can only find 15,000

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of them located in the data that we've gotten so far. Another example -- which I don't expect you to answer, I'm just telling you how it looks from here -- is the Grand Forks, North Dakota, Air Base, which shows a realignment of 2,300 people, no gains, and we don't know what's left. I mean, so it -- we can't tell what -- from what we have why that's not a closure. It looks like a closure -- feels like a closure. And so, we are asking these questions here without a full deck of cards, and the sooner we can get that data, it would really be helpful to us, because those are two things, for example, that we're scratching our heads over. We know the answer is in there someplace, and we anxiously await it.

Now my questions. The first one, Mr. Secretary, is -- has to do with the excess-capacity argument that was made to justify the law in the first place, something like 25 percent or 22 percent. You testified that as you went through the process it looked like some of that excess capacity was not there, and we are now dealing with a product that has a smaller cut. But the law also requires us to take into account surge and mobilization in which some excess capacity is a good thing.

Secretary Rumsfeld: Absolutely.

Admiral Gehman: And so, the question is, If you took

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the 25 percent, and you moved it towards zero, and surge and mobilization requires you to move from zero to another number, aren't we very close to a fine line here? And was that in your -- all that in your considerations?

Secretary Rumsfeld: Certainly, the estimate that we were given sometime back, of 20 to 25 percent, was a ballpark figure. I -- it may have been carefully calculated by people, but it was a pretty wide spread. The -- whether or not it took into account the other things I've mentioned -- namely, the bringing the forces home from overseas, reducing lease space, and allowing for the statutorily -- properly, statutorily required surge capability, I can't say, but there are people who could help to answer that question.

I do not think we're close to a fine line, no, sir. I think that the recommendations that have been made allow ample ability for the infrastructure to be utilized for a higher level of troop levels, plus the potential surge requirements, plus possibly a future decision to bring additional forces home.

Admiral Gehman: Thank you. And, changing the subject --

General Myers: Can I --

Admiral Gehman: Yes, please. Go ahead, General Myers.

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General Myers: -- response, Admiral? Could I just add a couple of things to that? In three of our central processes here, in capacity analysis, in -- as we looked at military-value analysis, and then as we developed scenarios and played out that analysis, surge was considered in each of those, and I think we can say absolutely -- and you'll see this, I think, as you get more of the data; I apologize that you don't have that -- I think you'll see in that data that these BRAC recommendations clearly support our 20-year force-structure plan. We paid attention, as we should have, to air and training space -- airspace for training and ground-maneuver area, as well -- because that's -- those are the sort of assets that, once you give them up, you're unlikely to get 'em back, as you know well. And in the industrial capacity, in our depots, we definitely looked at surge capability there, and made sure we had excess capacity to handle to known loads and then a big safety factor, if you will, to ensure we could handle future loads, as well.

So, I think, as you see the data, that you're going to -- you'll see that we took surge into account, and the uncertainties of the future.

I was going to add, back to Mr. Bilbray's question, a little bit about the reserve component. One of the things, also -- and that may be Mr. Coyle's, as well -- one of the

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things that, kind of, was the foundation of all of this is the realization that as we replace aircraft in the future, any service, that it's probably not going to be on a one-for-one basis, because the aircraft of the future are going to be a lot more capable than the aircraft they're replacing. So, that goes into your calculation when you talk -- whether you're talking about active, reserve, or guard forces. You've got to put that into your calculation.

Thank you.

Admiral Gehman: Mr. Secretary, would you say a few words -- my quick perusal of the list, it seems to me that the subject of laboratories, research and development facilities, test and evaluation ranges and facilities don't seem to be in here very much. Is that because you think it's about right, or that it wasn't looked at particularly hard in this round?

Secretary Rumsfeld: It was looked at. And, of course, it represents a smaller number of activities. Another example of that would be intelligence facilities, for example, are barely touched, as well, and the Marines are modestly affected by this. Again, the Marines, of course, being the smallest force, one ought not to be surprised by that. But I have been assured by Deputy Secretary Wolfowitz and the service secretaries and Under Secretary Mike Wynne

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that they did, in fact, review all of those pieces and make judgments as to what they felt out to be offered up.

Mr. Wynne: I can help you a little bit there, sir, in the sense that we looked at every range, and we looked at every laboratory for its contribution. One thing we realized is that we will have to something about the laboratories because it's a fast-changing technology. On the other side, the ranges, what's happening to us is that we are a far more spread or dispersed force. Our airplanes are more spread and dispersed, our troops are more spread and dispersed, as is our fleet. And so, the ranges, since they started with a finite, if you will, area quickly become overrun at 2.2 or larger Mach. The airplanes quickly run through, if you will, a range that we used to think would cope with 20, 30 years of capability. And so, we were very parsimonious over our ranges.

On the other hand, if the range only offered a single event, perhaps just large airspace and radar, didn't afford us any bombing range, we took that into consideration, as well, because we needed multi-use ranges. We are also looking, as you know, for ranges that are actually offshore that provide us a virtual-range activity.

So we are, in fact, expanding our ranges, but not necessarily domestically. But we are also a little bit

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parsimonious about giving up range space. So, there is one aspect of, if you will, excess capacity that went by the boards.

The laboratories, what we've moved to do is create joint centers of excellence for a command-and-control communications-for-soldier systems. And so, we did, in fact, try to merge many of those sites together. However, one of the things we did note is, the automotive guys are out in front of us doing virtual collaboration. And so, the question of, How close do you want to be together? versus, Can you do virtual collaboration? gave us some pause, if you will, of just picking up folks and moving them for the sheer benefit of moving them. Some cases, is made sense; some cases, it did not make sense. In the area of rotorcraft, for example, we're down to where no one has critical mass for their technical talent. We merged those into a single rotorcraft center of excellence.

So, that's kind of way it went, one by each.

Admiral Gehman: And my last question, Mr. Secretary, are there any -- I know that jointness and transformation are one of the pillars of your time in office here, which I happen to agree with, because of my background -- but are there any favorites in here, or anything that represent your thrust more than others in this list, or anything that we

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should look for, anything that you want to point out to us that points the Department in that direction, that's a favorite of yours or is representative of your philosophy?

Secretary Rumsfeld: I don't think I could pick out a single thing. I do believe that those areas where we have attempted to factor in the concept of jointness is a direct reflection of what was -- has been experienced in the global war on terror that we gain maximum leverage to the extent our services in war fighting, instead of simply be conflicting, actually interact in a way and function as a truly joint war fighting force, which they did, they have, in Afghanistan and Iraq, in most impressive ways.

The earlier we can get that into the system, the better off we, as a country, will be, and the more efficient and the more effective and the more capable our forces will be.

Admiral Gehman: Thank you.

Chairman Principi: Thank you.

Mr. Hansen?

Mr. Hansen: Thank you, Mr. Chairman.

I would like to say that, as I have tried to read -- as little as I can at this limited time, of your report -- you did an excellent job, and I just admire those folks who worked on it. What -- I don't know how many thousands of hours you've put in this, but I'm sure there's been quite a

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bit. And as an old Member of the House Armed Services Committee for many years, I'm convinced this is your last bite of the apple. I just can't see this happening again. And the fights we had just to get this one through is unbelievable to me. But, who knows?

[Laughter.]

Mr. Hansen: I can't prophesy here. And I know there's going to be a lot of pain for a lot of people. You know, the old saying, "You can tell a person's age by the amount of pain they feel when they come into contact with a new idea"? Well, I think we're going to see a lot of that at this particular time.

Now, as we were working on this bill in 2002, and those areas, getting it ready to go, and all the input from the Pentagon and all the people who knew, supposedly, what they were talking about in the Senate and the House, so there were 535 experts in this one, came down to the idea that I really thought, in my heart of hearts, that there would be more interservicing. Now, I know you've talk about the emphasis on jointness. And I agree with that. I think it's the right step. But I draw a distinction between jointness and interservicing. I see quite a difference there. And we didn't put report language in, as I recall, but I don't know if it would have helped much. As you know, report language

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isn't worth much. But, still, on the other hand, it seems to me that, of all the great opportunities that you had, as I look at the redundancy and the duplication that I have seen between the services that there possibly would have been more inter-servicing. And I would be very curious if you would like to comment on that.

A second thing I would kind of like to ask about, if I could, and that is, I notice you have quite a concern for the environment. The past chairman of the Committee on Natural Resources, we shared that with you. And we held a number of hearings that were quite interesting, one with the commanding officer of Camp Pendleton, and others, lamenting the fact that they weren't using even half of their areas because of something that someone was making a big issue of, and on and on. There was another one being added, whatever it may be, and very questionable whether it really fit the definition of the '73 Endangered Species Act. I'm sure that's not your field and something that you wouldn't have to get involved in, but it would just seem to me that there would have been something in this report or somewhere concerning the importance of taking another bite of that apple with the Endangered Species, because we had one commanding officer after another say how unfair it was to his troops because they couldn't train adequately because of

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that act. Of course, that interservicing thing has bothered me a long time, and I would -- I can't see why there can't be more interservicing between -- especially in the military airpark, the Marines, the Navy, and the Air Force, and some other areas, which I think would be a tremendous savings to the military.

If you would like to comment on that, Mr. Secretary, I would appreciate it.

Secretary Rumsfeld: Well, thank you, Congressman Hansen. I'll start.

You're right, the battles just keeping BRAC in the statute for the past several years has been -- have been significant. Certainly, it's the last bite out of the apple during my watch. But my guess is, in five, ten years, there'll have to be another one, because the world keeps shifting, and they're going to have to keep looking at how things are arranged. And so, I would think it may happen again at some point.

There's been a lot done. The Secretary of the Navy, Gordon England, former Secretary -- I guess he still is, Acting -- and Vern Clark, and have done a good job, for example, in bringing marine and naval -- rationalizing marine and naval aviation. So, we're working off a different base than we were four years ago because of the

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fine work they've done.

The Joint Strike Fighter, as I recall, all the training's going to take place at a single base, regardless of the fact that it's going to be flown by several services. There were -- there are a number of instances where the point you're making was considered and taken into account and is in the proposals. They may not be all readily apparent, but I think that a lot of good work was done.

In terms of the environmental issues, you're quite right, Vern Clark and others spent a lot of time up in the Congress talking about the difficulties they were having in functioning because of the fact that, in many instances -- and Camp Pendleton's an example -- the fact that there is a base creates an area that's hospitable to various types of environmental opportunities which don't exist in areas that aren't protected by the United States Government in one way or another; and the longer that goes on, the more distinctive they are. And, indeed, over time, they can become unique to the point where no one then wants to use them at all, even for the purpose that they were there for that permitted that. So, it is something we constantly face and worry with. And I'm sure that the environmental issues were taken into account here.

Mr. Wynne: You know, if I could just add to that, the

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-- you are correct, sir, the initial pilot training for the Joint Strike Fighter -- in fact, the initial site -- is going to be at Eglin. And those of you who are familiar with the various service pilots, that is a huge breakthrough in allowing all three services to be trained initially at one site. As the rate goes up, I think they have their eye on another site out there.

Also, the -- we're moving, I think it's, forces command out of Fort McPherson up to Shaw Air Force Base in order to let that come together. And we're also moving the 7th Special Forces Group down to Eglin, so that we can have a better training regimen for them.

And I know this isn't quite as joint as you might like it, but the Army is creating maneuver unit, and they're taking the armor folks out of Fort Knox and moving them to Benning so they get back into a joint maneuver brigades.

All of these things a part and parcel of the transformation that's occurring throughout. And I think as you get into the look, if you will, at it, there are also some joint bases which are a little bit more of housekeeping than they are, I would say, pinnacles of jointness; but, nevertheless, when you pitch in and agree to have a single landlord -- again, those of you who are familiar with our service modalities -- this is a fairly big breakthrough, as

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well.

General Myers: Let me just add just a little bit more detail there to what both the Secretary and Secretary Wynne said.

You know, we have these seven joint cross-service working groups. And my understanding is, previous rounds of BRAC, we had these groups also, but they reported up through the military departments. And so, the departments pretty much had to agree on what came forward in a -- if you will, a joint context.

This time, it was organized by the Secretary differently. They reported -- these seven groups reported to the steering committee and executive committee, along with the military departments. So, I think we got a lot more mileage out of their work.

And I would agree with both Secretary Rumsfeld and Secretary Wynne, we've seen some -- I think, some huge moves forward in jointness. The pilot training and the Joint Strike Fighter, and the education-and-training joint cross-service working group, when we looked at -- a lot of the savings, as I recall, Secretary Wynne, were in supply and storage and distribution, where we've -- where we, you know, went virtually totally joint. Medical -- a huge push forward there by the -- that particular group, with all

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three service surgeon generals pushing for -- revamping the way we're organized here in the national capital region and San Diego, the two that I remember that are --

Mr. Wynne: Well, also San Antonio.

General Myers: -- I mean, I'm sorry, San Antonio, not San Diego. Excuse me. It's San Antonio. Big changes in the way we're going to be organized and truly, when they're all done, joint organizations, where the commander of the Medical Center, Walter Reed, at Bethesda, could potentially be any service, as well as in San Antonio.

So -- and it goes on and on. I think we've -- there's been a lot of -- there's a lot of jointness, and maybe the detail isn't in the products that you've seen, but I thank you'll see that. And when you get to the reserve component, as we've -- particularly in the Army reserve component, as they build 125 new facilities -- you'll see those have a joint nature about them, which we think is going to increase and enhance training.

Mr. Hansen: Thank you.

Chairman Principi: General Hill?

General Hill: Thank you, Mr. Chairman.

Secretary Rumsfeld, Mr. Wynne, General Myers, I have just three questions. The first one is, as a former combatant commander and a guy who grew up maturing under

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Goldwater-Nichols, I have believed, and believe today, that we've come a long way since 1986, but we're not as joint as we should be, and not as joint as we could be. And I was very gratified by many of the interlaced -- both jointness and interservice agreements that Mr. Hansen brought up. I was -- and I had been looking for some of them. The Army schools coming together, the realignment of all of that. And I particularly looked at McChord and Bragg, and I saw where you've pulled them together under one base. Why not Pope and Bragg in the same way?

General Myers: In fact, we did.

General Hill: It'll one base? That doesn't --

Mr. Wynne: Yes, sir. The Air Force actually turned over Pope to the Army.

General Hill: Huah.

Mr. Wynne: It's the proposal.

General Hill: Okay.

Back to Mr. Bilbray's National Guard issue. Again, I thought that the combination and the combining of the Guard and the Reserve in several different locations, and the fact that you undertook it, is a monumental step forward. I am, however, concerned that we're going to get out, as we go through our hearings, and we'll bump into TAGs and other people who will not -- and I noticed General Myers used the

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term "voluntary." Are we going to go out there and find TAGs that'll come in and begin to fight us over these issues -- closing down of this base or that base? That's my question.

Secretary Rumsfeld: I guess the first rule of life is, if you do something, somebody's not going to like it. And we're doing a lot, or proposing, recommending a lot.

General Blum has been deeply involved in this process. He has been in -- as General Myers indicated, in very close touch with the TAGs. I don't doubt for a minute that one or more are going to either, at the time, have a difference of opinion or possibly, after talking to their political leadership, have a difference of opinion, and that we will hear those things.

General Hill: Right.

Secretary Rumsfeld: And I think those are things that ought to be listened to by the Commission, and taken aboard.

But the report I received was that there was very broad agreement that there were -- the advantages far outweighed the disadvantages in the proposals that have been made.

Mr. Wynne: Yeah, I would tell you that, as an extraordinary part of this Base Realignment and Closure, the Army -- and I know they're going to testify separately -- they actually had all of the TAGs in, and asked them to go

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home and come back with proposals that the Army would then incorporate into their Base Realignment and Closure proposals. I know that the Air Guard was similarly advised, but I think they were advised, if you will, after the Air Force had made a forces consolidation presentation.

So, as General Myers pointed out, I'm not sure that you're going to find very much unrest in the Army segment of this, because, largely, this was a craft and creation of their own hands. The only ones we turned down were where it was simply not affordable or just did not seem to us to make the kind of sense that it made to them.

On the air side, I think where the mission was changing, and they were losing a mission that they had had for several years, I think there is a little bit more argument and consternation. I think the Air Force, by and large, has coordinated this with their adjutant generals, and they all are aware of it. That does not mean, as the Secretary said, that we're all in resounding consensus.

General Myers: I would say, General Hill, on the voluntary statement, that was to the Army National Guard participation. Most of these ideas, when it comes to the Army and National Guard, are the adjutant generals, as Secretary Wynne said, ideas.

And I would also say that about, gee, three weeks ago

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or so, we had a meeting of the Joint Chiefs of Staff, and we had each service's Reserve chief and National Guard chief, plus the chief of the National Guard Bureau in attendance, and we went over all of these recommendations. And they were all supported at that level, that this is exactly the right thing to do for the force today and taking all of the things that we've talked about here in the last hour or so into consideration. That does not mean that that -- it's going to, as the Secretary said, sit well with everybody, because there's some pretty big changes here. But if you want to be ready for the security environment we're in, we're past due on making some of these changes, actually.

Chairman Principi: General Newton?

General Newton: Thank you, Mr. Chairman.

Mr. Secretary, General Myers, Secretary Wynne, thank you very much for taking the time out of your obviously very busy schedule to share these comments with us this afternoon. They are very, very helpful. We are obviously still stabbing a little bit in the dark here by not having all of the information, and I -- we're expecting that we would get that very soon.

Let me go back to jointness just a little bit, and on the training side. Clearly, you've offered a great step forward here in how we will continue to take our force more

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into the joint arena. With reference to training, it seems like, to me, we would give some thought to how we maintain the uniqueness of each one of our services as they contribute to the fight of -- how are we going to train them so that they we'll fight as we trained, as well -- or, trained as we fight -- plan to fight. So, can you share with us what considerations might -- was given to how we would -- and you expect that that's going to happen? In other words, these forces come together, we train together, but, at the same time, being sure that we don't keep it out of balance and we go one -- too far in the opposite direction, such that the Army bring its uniqueness, as well as the other services.

Mr. Wynne: Well, one of the things that we are emphasizing now through Joint Forces Command is experimentation to essentially bring all of our forces together. But let me just take on a specific issues for you. And I know that you are extremely familiar with this particular one. And that is joint pilot training.

Joint pilot training, we examined, and reexamined, and examined again, only to find that the -- that, in fact, training carrier pilots is a whole lot different than training Air Force pilots. Training Marine pilots is a lot different than training Air Force pilots. And so, what we

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also found out is, if we were -- because of the different types of airplanes, if we were to move to this, what we would be doing is, instead of having a student go through plenty of weeks of training at one location, where they could organize their family and be at that location, we found ourselves hopscotching around about six bases. And it came down to where we're all looking at this and could not, if you will, find the efficacy of why we were doing that to -- how it would appeal or not appeal to a specific pilot training.

As it is, we train -- we send pilots on about three rotations, if you will -- initial, advanced, and then specialty training. This would have been not good. So, we did, in fact, look at that and discard that. And you'll probably get a little bit of a flavor of that in the detail.

On the other side, though, we're -- for example, we're combining the 7th Special Forces group with the -- with some of the Air Force special-ops squadrons. I think it's going to work out terrific. Where we are moving forces command up to where, in fact, they have a mobilization, I think that's going to work out terrific, because we're essentially replicating Aviano, if you will, in -- to some extent.

And so, there are -- we made some breakthroughs. We actually had some good think pieces. And certainly we gave

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a real thorough scrubbing to some areas that were sacrosanct. And I think some were very fearful that the Secretary's emboldening of the joint cross-service groups would, in fact, be as harmful as they might be helpful, and we tried to tamp some of the enthusiasm down.

Secretary Rumsfeld: General, I must say your question's fascinating to me. The concern that we might go too far in that direction has never crossed my mind.

[Laughter.]

Secretary Rumsfeld: It takes so much effort just to get it going in that direction, the thought that we could overshoot is a fair one, it's possible, but I haven't seen any overshooting yet, in terms of that.

Secretary Wynne talks about training of pilots. You've flown most of what the Air Force has, I guess, in the fighter world.

General Newton: Yes, sir.

Secretary Rumsfeld: And I look at that, and the fact of the matter is, the -- when I was a Navy pilot, we were flying the same things that the Air Force pilots -- in the first period, until they did shift over to carrier landings and that like. But there is a long period, an important period, where it's the same. It isn't any different. And we're -- marines are naval aviators. They're -- they go

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through exactly the same training, so there's no difference there.

We did not address that. We addressed pieces, like in the Joint Strike Fighter, but we did not go back and redo everything simply because of cost and what have you. So, there's a lot left for the world to imagine might someday happen.

General Newton: Yes, sir.

General Myers: General, I would just add that this occurs at several different levels. It's already been mentioned that, at Shaw, we'll consolidate the land and air component to Central Command. So, just by virtue of their co-location, there'll be some train-as-you-fight going on there at that level. We talked about some of the consolidation you're going to see in pilot training as you get more of the detail here. Also -- and some of the shifts made in pilot training -- also, at Moody Air Force Base, the Air Force puts a lot of its training in its forces that support the Army in warfare. And it -- they do that because of the preponderance of Army schools in that area so they can train, again, like they're going to fight, but they don't -- they certainly don't break up the Air Force culture by doing that, which is one of the issues that you mentioned.

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So, I mean, it occurs on all those levels, down to a joint culinary school at -- I think it's at Fort Lee, Virginia --

Mr. Wynne: It is at Fort Lee.

General Myers: -- where we train all the folks in culinary skills from all the services. And they can develop their own cultural seasoning, I guess, if you will, as they leave.

[Laughter.]

General Newton: Well, thank you very much. That's very good insight. Thank you.

General Newton: Mr. Skinner?

Mr. Skinner: Thank you, Mr. Chairman.

Secretary Rumsfeld and gentlemen, thank you. I have two observations and one question.

First of all, I'm delighted to hear that the BRAC recommendations are being driven by your force-structure requirements and your Quadrennial Defense Review. The last hearing, there was an impression that the base realignment would drive those two. And that's why I think Secretary Principi brought up the point it was really the cart driving the horse, and we're concerned about that. So, I assume, from your comments, Secretary Rumsfeld, that the review that's not due till next year in the force structure that'll

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be adopted as a result of that is pretty consistent with what the recommendations are here, and that's good to clarify.

Number two, I'm going to take the opposite side of General Newton's, a little bit. I don't think you can push hard enough on jointness, and I encourage all of you -- you've made great progress, but, as someone who's been in the private sector and knows the things that could be -- happen when you take advantage of some of the synergies, I think, really, the dance has just begun. And, I think, under your leadership -- this shows it -- that it's begun. But don't push back. And, as long as you're there, I hope -- because you've really pushed that effort, and it is going to make a difference. And to those of us that have looked at it already, in talking to them a little bit, I think everybody here supports working, where it makes sense, joint training, joint logistical work, joint technical work in all of those things where they're very expensive to duplicate and replicate across this country. And I think you've taken a great step.

And the third observation I'll make, and it's made by others, 65 percent of your closures -- really 65.4 -- are National Guard, Air National Guard, and Air Reserve facilities. And it sounds to me like you've got the buy-in

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from those components, because those of us who have employed reservists and guardsmen are very concerned about what's happening there. And it's got to work for them if you're going to recruit at the levels you need to.

And then my only question is, at the bottom of the documents that we were presented there was a allocation of about 13,503 people that were undistributed from over -- as a result of overseas reductions. And a couple of us were questioning where those people were going to go and how they're going to fit into the structure that's been presented here.

So, any one of you could answer that, but we're curious as to where those 13,000 people -- there's a lot of people, I'm sure, in this room behind you who would like them to go where they are, but I'm interested in your thoughts.

Mr. Wynne: Well, General Cody did a terrific job of going through some of it, because, not only did we move people back to the States, but we also then had to have people from one of the bases here -- for example, Fort Bliss up to Fort Carson. And so, there's a little bit of a rotation.

On my reading through, there are indications that there are some going to be at Fort Benning, some going to be at Fort Bragg. And so, I have a feeling we're going to get

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distributed forces throughout, but most at Fort Riley, Kansas, and Fort Bliss, Texas. There's another segment that's going to be at Fort Hood for awhile and then move on up to Fort Carson.

So, there's -- I would tell you that what -- I beg the Commission's forbearance. And I think the Army's got a fairly -- a much better look at that than I might have, and General Cody certainly got up to the microphone, and I thought he did a marvelous job, talking about Fort Eustis and others -- if you wouldn't mind, sir.

Mr. Skinner: Well, we'll just defer till the Army presents, but we just want to make sure we're not making decisions without taking into consideration where those people are going. And, from --

Mr. Wynne: Absolutely.

Mr. Skinner: -- what you've said, Secretary Wynne, I think that'll be taken care of in the hearings.

Thank you.

Secretary Rumsfeld: Some are Air Force, as well. It's not just Army.

Mr. Skinner: No, I understand.

Secretary Rumsfeld: Yeah.

Chairman Principi: General Turner?

General Turner: Thank you, Mr. Chairman.

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Good afternoon, gentlemen, and thank you for being here with us. Clearly, a strong theme today is jointness. And you clearly expect some degree of jointness to be achieved through the implementation of these recommendations. Some, however, may view it as not much more than a co-location of activity and business as usual. To what extent do you expect to achieve meaningful breakthroughs in jointness through implementation of these recommendations?

Secretary Rumsfeld: Well, I would say, first, only time will tell. We're creating -- we believe that the recommendations create an environment that will be more hospitable to jointness than our previous arrangement. In the last analysis, it's going to be people and leadership that's going to do that. And our Joint Forces Command in Norfolk, under Admiral Giambastiani, has been doing a great many things that contribute to jointness, in terms of training and exercises, in terms of the training that takes place prior to forces leaving to go overseas. And I think it's going to be -- there's a natural tension between the history of the services and the distinctive responsibilities they have to prepare their people to do what they do, and Goldwater-Nichols and the combatant commands that have a responsibility to warfight. And they don't fit well together, those two things. There's a tension there. And

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understandably so. And it's a constructive tension. It doesn't always sound that way in the tank or in a meeting, but, for the most part, it's a constructive tension.

And I would say that the Joint Forces Command, the pressures that the combatant commanders put on the services and the Department continuously -- and General Hill knows this from his experience -- and the people that are selected and their attitudes about jointness, will have a much greater effect than will the things that are being proposed here in Base Closure and Realignment, although I do think these things will create a more hospital environment for it.

General Myers: I would say that one way to look at it is that, operationally, you know, I think we saw the fruits of Goldwater-Nichols in Operation Iraqi Freedom, and that from an -- just a pure operational standpoint, being able to go do the mission in a joint sense, I think if the -- if all the folks that had something to do with Goldwater-Nichols were to vote, on a scale of one to ten they said, "Gee, you're an eight-and-a-half or a nine, you're getting pretty good at this business."

I think what you see in this BRAC are other aspects of jointness that perhaps need to be pulled along. And I would offer up medical, for one. We had -- the three services' surgeon generals have worked very hard on how to work our

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joint medical capability. And it had -- and you'll see it -- and maybe you don't have the detail, but, as they go down through it, you'll see it, where all the services now, most everything is a joint -- the best centers are all going to be joint centers. And I think that's very good. You'll also see it in the RDAT&E, as well, in a few of the labs, and then in the -- as Secretary Wynne said, in the fixed-wing center of excellence, and the rotary wing center of excellence. You'll all see it in biodefense and chemical defense.

So, operationally, I'm not saying we're there. You've got to keep pushing on operations and become more interdependent. Maybe it's not eight and a half; maybe it's seven and a half. I don't -- but we've made great progress. But, in some of these other areas -- and I would say, in some of these other areas, we need to make more progress, and I think this BRAC supports that. And I would add -- to the list that I gave you, I would add some of the industrial-base -- or the industrial parts of our business that you'll see a lot of jointness in those, as well.

General Turner: I have one last question, and I think a short question, in the interest of time, and it has to do with the notion of creating a number of joint bases, whereby a single military service is given the responsibility for

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installation management functions for two or more bases that are located in close proximity to one another. I think, as military members get a little more knowledge about those kinds of recommendations, they might be asking the question, What standard is going to apply, the standard that they've been used to or the standard that may apply to the installation manager? In other words, would we use whatever standard has been applied locally, or would there be a new joint standard that would apply to things like housing and services? -- so that people who, perhaps, are coming under a new command structure would have at least equal to, if not better than, what they had previously.

General Myers: General Turner, you asked a question that I asked, exactly. Several times. And I don't know how long ago it was when you and I first met on this, Secretary Wynne, but I'm satisfied that the quality of life of the individuals involved where we're going to consolidate some of the services that -- running these bases -- standard trash contracts, for instance, or power, or so forth -- that the quality of life will go up. That's got to the be the premise of what we're doing this for. We haven't talked much about it, but -- today, but clearly a lot of what's behind this Base Realignment and Closure is to improve the quality of life of our men and women in the service, and the

DOD civilians, and, in some cases, even where contractors work. I mean, we've tried to consider all of that, because there's some organizations that rely quite heavily on a contractor -- on contractor support.

Some of what you asked is to be worked out, but in no case, I don't think, are any of the services or anybody willing to accept lower standards in any of these installations. But it's going to have to be worked out. There's still some work to be done -- agreeing, in principle, that we want to do it -- and that work will be -- will continue.

Mr. Wynne: That was an excellent question, Commissioner Turner, and it's an excellent question when the chairman first asked me. What I'm looking for is best practices, and I'll be looking for best practices across the services to make sure that the quality of life does not deteriorate. And I think we've put enough, if you will, investment in there to make sure that we can be satisfied in that regard.

And as to your comment as to whether or not it should be joint standards, we may yet get there. But right now I'm just looking for best practices. Those best practices may well turn into a joint standard.

General Turner: Thank you.

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Chairman Principi: Thank you.

Mr. Secretary, General Myers, thank you for sharing your insights and rationale with us. We very much appreciate your time. Secretary Wynne, I believe you'll be staying with us --

Mr. Wynne: Yes, sir.

Chairman Principi: -- for another round.

We'll stand in recess for five minutes.

Thank you.

[Recess.]

Chairman Principi: We'll reconvene with our second panel. Mr. Wynne is -- Secretary Wynne is back, accompanied by the Honorable Phil Grone.

Would you please stand so that you can be sworn in sir, Mr. Secretary?

[Whereupon, the Mr. Grone was sworn.]

Chairman Principi: I thank you. I'll begin the questioning, then I'll begin on my far left.

Mr. Secretary, a 2002 Authorization Act amendment to BRAC law authorized you to place a military installation in an inactive status for possible future use, perhaps the most negative impact possible to the host community. The 2005 Authorization Act further amended the law, removing that authorization.

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My question to you, then, is, How is it possible to transfer all aircraft and nearly 2700 military and civilian personnel, leaving only about three- to four-hundred, from a 5500-acre major installation like Grand Forks Air Force Base, in North Dakota, and declare it a realignment in anticipation of emerging missions?

Mr. Wynne: Thank you, Mr. Chairman. If you don't mind, as you recall, I had a opening statement, and what I thought I'd do is weave your question through the opening statement --

Chairman Principi: I apologize. Why don't you proceed, then?

Mr. Wynne: Not a bit.

TESTIMONY OF HON. MICHAEL W. WYNNE, UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY AND LOGISTICS; ACCOMPANIED BY HON. PHILIP W. GRONE, DEPUTY UNDER SECRETARY OF DEFENSE FOR INSTALLATIONS AND ENVIRONMENT

Mr. Wynne: And we've submitted some written testimony for you. I don't know if it's as detailed as what you are looking for, but I've done that. So --

But thank you very much, Secretary Principi, Commissioners, for this opportunity to testify before you regarding the Defense Department's Base Realignment and Closure 2005 process.

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I'd like to build upon the Secretary's remarks regarding the context of Base Realignment and Closure 2005, its goals, and its results. I'll also lay out how this BRAC process worked and how strategic considerations informed the BRAC process.

As the Department entered the 2005 Base Realignment and Closure, we organized the effort to focus maximum energy on the military transformation that President Bush asked us to conduct in 2001. We knew that restructuring common support functions and creating joint basing options would be very challenging.

To address this, we divided the Department's missions and installations among ten groups, giving each primary responsibility to develop the BRAC proposals within the terms of reference.

Three groups were organized around the three military departments, and the other seven groups were organized around different functional areas into what we call joint cross-service groups. Our operational forces, and the installations that primarily support them, remain the responsibility of the military departments, just as they were in previous Base Realignment and Closure rounds. However, the joint cross-service groups were responsible for the Department's support missions; its common business-

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oriented support areas, and the installations that primarily support those functions. One of the major differences between this round of Base Realignment and Closure and the previous rounds is that the joint cross-service groups were given the authority and responsibility to offer scenarios that could be reviewed and evaluated by the senior leaderships and potentially turned into, or inform, candidate recommendations.

Each joint cross-service group was chaired by a senior executive or flag officer and had strong representation from each of the military services, the joint staff, and relevant Defense agencies. Their perspectives were different, and they gave a horizontal look across the Department. These groups are education and training, supply and storage, headquarters and support activities, technical, intelligence, medical, and last was industrial, which I chaired.

Each joint cross-service group collaborated with the military services and Defense agencies to ensure that its recommendations both informed and sparked BRAC initiatives that were being developed by the services, and vice versa. This idea generation resulted in more robust scenarios that were both iterative and interrelated. Throughout the BRAC process, all ten groups worked to develop recommendations

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that balanced competing objectives to arrive at the solution that achieved the highest military value and was consistent with the other Base Realignment and Closure constraints. While joint groups were used in Base Realignment and Closure in 1995, this was the first time that the joint groups developed their own sets of proposed recommendations. Each joint cross-service group is prepared to discuss this recommendation with this Commission later this week.

The challenges of the new strategic environment suggested that Base Realignment and Closure 2005 would be a very difficult task, even as it was an important opportunity. With this in mind, the Secretary established two senior groups, the Infrastructure Steering Group, or ISG, and the Infrastructure Executive Council, or the IEC, to oversee this base realignment process. This structure process provided senior military and civilian leadership every step along the way

The Infrastructure Steering Group, or ISG, which I chaired, met more than 60 times. Included on that group were the vice chairman of the Joint Chiefs of Staff, the vice chiefs of the services, and the military department assistant secretaries for installation matters. This level of senior leadership made the Infrastructure Steering Group the focal point for the application of senior military

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judgment and authority necessary for serious decision-making. Previous rounds actually lacked a joint body with this type of authority. This also provided a robust forum for debate.

The military services, though technically reporting to the higher-level Infrastructure Executive Council, were eager to shape their recommendations as to format and content within the forum of the ISG before formally taking it to Infrastructure Executive Council. This gave the Infrastructure Steering Group insight into the iterative style of the entire process.

The second management group, the Infrastructure Executive Council, met during the later stages, when candidate recommendations were being carefully scrutinized. Ultimately, the Infrastructure Executive Council met more than 20 times, with a focus on the warfighter and military value. Active participation of the chairman of the Joint Chiefs of Staff, as well as the service secretaries and the service chiefs of staff, meant that difficult decisions and policy differences between the services or with the joint cross-service groups could be aired at that level, and encouraged resolution.

More often than not, the joint cross-service leaders joined in to the Infrastructure Executive Council meetings

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to both inform the process and provide rapid turnaround of alternatives to accomplish a common mission. In addition, the participation of the Joint Chiefs of Staff at every level of Base Realignment and Closure meant that the war fighting implications of the BRAC proposals were explicitly assessed at every step of the process. The combatant commanders were kept informed throughout the process, and provided important input through the joint staff. All of this led to the BRAC 2005 process having a greater joint involvement than any previous Base Realignment and Closure round.

By statute, the Base Realignment and Closure process and results rests upon three foundations: the 20-year force-structure plan, the Department's facility inventory, and the Base Realignment and Closure codified selection criteria.

The force-structure plan formed the basis of the initial work as proponents began the assessment of the current capacity to support each mission. As capacity analysis progressed, the leaders of the ten Base Realignment and Closure subgroups ensured that assessments of excess physical capacity took into account not only the needs of a static force, but also contingency, surge, and mobilization requirements. And this is an important piece of the question that you asked, Mr. Chairman.

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Policy letters issued along the way were poised to clarify for the teams the definitions of the various criteria, with a special emphasis on the definition of "surge." As the ten groups moved to military-value analysis, they took a very long-term view of the installations and their portfolio. The Department's base structure needs not only to support current forces, but also the dynamic needs of capability-based forces that, by their very nature, would rapidly change as threats and opportunity might evolve.

In addition, the joint cross-service groups analyzed a segment of the Department's base structure that had received less attention in the past. Using the leverage of technology and modern business practices, just as just-in-time delivery and e-commerce, several recommendations significantly restructured mission areas such as supply, medicine, headquarters, and support. Other groups, like intelligence, technical education, and training, were able to restructure functions to increase joint possibilities and enhance physical security while saving base operating-support expenditures.

In a departure from earlier Base Realignment and Closure rounds, a very significant share of the overall savings comes from the restructuring of the support

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infrastructure.

The Base Realignment and Closure process has been an important opportunity for the Department to reassess its base structure. We believe the Base Realignment and Closure 2005 recommendations will make the Department stronger, more capable, and more robust.

The Department appreciates the challenges some of these recommendations make to local communities that face closure or realignment of a major military activity or the rapid buildup, frankly, of a military presence. In all instances, the Department stands ready to assist in these transitions.

We are also ready to assist the Commission in its deliberations, and we very much appreciate the difficult work that you and your staff have before you, and pledge our support as you move the Base Realignment and Closure 2005 package closer to approval and implementation.

Now, as to the question that you specifically asked, which I think is a very good one, and it applies very much to Grand Forks, although there's, in fact, others that are like that, we had to take into account, at the end, the impact we had on other missions and on other agencies. And, in fact, what we found in this area was, we found ourselves to be, if you will, light when it comes to our northern border. And our northern border is important to us from a

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lot of standpoints. And one of the things that we are trying to do overseas is, we very much are looking at more austere basis where we can surge to that base if it requires it. We're also taking a look at the total force package in the North Dakota National Guard and the North Dakota active forces, and we're thinking that we can get a combination going here with the Grand Forks mission.

So, I think the Air Force took a very hard look at not only its position on the northern border as a -- perhaps a surge location, but also the total force requirement for the Guard and Reserve. You'll find, also, the same thing occurring at the -- at Brunswick, in Maine, where we will lose quite a bit of the mission, but we will retain, if you will, the opportunity to restock that base should it become necessary to launch from there and do a little homeland-defense mission.

[The prepared statement of Mr. Wynne follows:]

Chairman Principi: And the same about Walter Reed. That is also termed a "realignment," yet you're moving some 5600 civilian and military folks from Walter Reed over to -- partially, to Bethesda, 622 contractor personnel. Why is that a realignment and not effectively a closure?

Mr. Wynne: What we did was, we did the look at -- in about three steps. The first step was growing into a

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National Capital Region, just as we did the San Antonio regional area and the San Diego regional area and the Norfolk regional area. Once we got the regional areas established that we had to service, the same -- our medical people in that area had to service all of the population -- military, active, reserve, and the wounded returning from the engagement. Also, it was a very good opportunity to now focus the scarce resources that are flowing into this very high-technology, very high-capitalization area. And we are -- have decided to go invest $2.4 billion into the medical area as an opportunity modernize it and prepare it for the 21st century.

That having been said, once we did, in fact, now gather it into a National Capital Region, we took a good, hard look at where we are. There are, in fact, three or four campuses within the context of Walter Reed, and we elected to call the entirety of the National Capital Region area the Walter Reed National Military Medical Center Complex. And it was -- we looked at, for example, the university health -- university service -- or United Services University Health System in the same regard. In other words, we looked at it as a contributor to the National Military Medical Complex. It is very adjacent to the National Institute of Health.

The -- our next thing is consequence management. It is

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six miles removed from the Walter Reed campus. It is a more modern facility. And, frankly, it is -- a lot of patients now go back and forth between the two centers. We decided to make it joint. In fact, it's still up for grabs as to who commands it.

Just as in the San Antonio area, the Air Force essentially has taken down a flag, or offered to take down a flag, and go with a San Antonio Regional Military Medical Center at the Fort Sam Houston.

And this was the way the medical people had approached this. So, though it may be, at the end of the day, that the inpatients and the tertiary care facility, if you will, will, in fact, move to Bethesda, because of its proximity, we -- we've found that we'll get a lot of savings out of the unified command, and then we can make the right kind of things to get -- make sure our resources are properly focused to service our war fighter.

The other thing this allowed us to do, by the way, is to -- is, most of our served population has moved south. I mean, it's moved south through Springfield, it's moved south through South Arlington County and out into the counties south of the beltway. There was a small clinic that was to be built at Belvoir. We've greatly expanded that into a inpatient hospital and major outpatient surgery center.

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We've taken Andrews and converted it to a major surgery outpatient center, and put all of this under the command of the National Military Medical Center for the National Capital Region. We think this is going to significantly cut down on the transit time for getting service, and increase the service for our served population. And it's not just here. We did it exactly the same thing and look at -- whether it was Norfolk or San Antonio or the San Diego area.

And so -- and the last thing I would say is, I understand the Army has actually offered Tripler now back to the Air Force. So, there's a real jointness that has arrived there in the medical community.

Chairman Principi: Thank you, Mr. Secretary.

General Turner?

General Turner: Let me just make a comment on that general topic. I think the concept of establishing medical centers of excellence is terrific. One thing that did draw my attention when I was reading the recommendations relative to that across the country -- on occasion, there were references to the availability of the local VA Hospital for inpatient care as an option to what was formerly their inpatient facility, which was now going to be an ambulatory surgery unit or a tertiary care center or a -- yeah. And I guess my -- it's not really a question; it's just an

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observation -- I -- as I read it, I was hoping that the VA had been given an opportunity to weigh in on that suggestion.

Mr. Wynne: What we really were looking for when we were examining that is all of the hospitals that might be available for consequence management in the event of a real serious community emergency, more than we were looking at it for ourselves. And you'll find that, I think, in every case, we've reserved, in the regional area, some medical support for ourselves, but we wanted to go farther and take a look at what happens in the event of a serious consequence from weapons of mass destruction or anything else in the community to make sure that we could interlock with the community look. So, it really -- although we were examining that as a alternative or contingent mission, we didn't feel it was necessary to essentially involve the Veterans Administration in our deliberations.

On the other hand, if they have a need for a regional center, or if they have a need for it, they are on the list, if you will, to certainly petition for those hospitals to move right over into their bailiwick.

General Turner: Thank you.

Now, my question has to do with the recommendations to close the major Army maintenance depot, Red River Army

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Depot, in Texas, yet it would appear that there's a growing backlog of equipment needed -- needing repair due to the wear and tear of damage being inflicted on it in Afghanistan and Iraq. So, how does that square with the recommendation to close a major depot facility like Red River?

Mr. Wynne: There's a couple of things to look at. One is, we found it very efficient to actually invest a little bit at Anniston, Alabama, and make dramatic strides in our capacity for combat vehicle equipment. In fact, at the end of this -- of all of these moves, we will actually have greater capacity for combat vehicle support than we have today. And it was far easier to essentially take the savings associated with the closure of Red River and invest it to meet the future requirements than it was to try to expand everybody a little bit.

That having been said, we also found ourselves with excess capacity in the area of generators. And so, we began to form into a combat vehicle center of excellence, if you will, making sure we had more than one, and then missiles and generators and electrical centers of excellence, as well.

In each of these, Red River just did not score as well as it might have. We have great respect for its capabilities. There's -- by the way, there's no intention,

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if you will, of going in tomorrow or January 10th, if you will. And this will all be done as a part of the operational effectiveness. And we will be growing things before we ever shrink things.

General Turner: And I'll finish in just a second, Mr. Chairman. You brought up just a really, really important point right there, Mr. Secretary, and that is the notion that this is not going to happen next month, anywhere, in any part of the plan, that it's going to be phased in over a number of years. And I think that that's one point that the media has failed to communicate to the American public. And I hope that they do that.

Thank you.

Mr. Wynne: Thank you very much, ma'am.

General Turner: Thank you, Mr. Chairman.

Chairman Principi: Mr. Skinner?

Mr. Skinner: Yes, maybe, Secretary Wynne, you can explain for me exactly -- I'm a little confused, and maybe I haven't got all the information; so I'm not -- maybe it's my fault for being confused, is what I'm saying -- is that -- take me through what we plan to do and -- as it relates to -- you're going to close Walter Reed and the complex and all of the facilities there, and you're going to build a new facility on the campus at Bethesda. And will that facility

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serve both the needs of the old Walter Reed and the Bethesda Hospital, or how exactly will be that -- that be set up?

Mr. Wynne: Well --

Mr. Skinner: Will this be a replacement facility for both those facilities, or will this be an add-on to the existing facilities at Bethesda?

Mr. Wynne: Let me say that the -- Walter Reed currently has space for 1300 inpatients. It has a total population right now of under 200 inpatients. Bethesda has a inpatient population possibility of about 850. It has, also, under 200 -- or maybe 200 to 300. I'm not sure about Bethesda. But the fact is, is that combining that, plus allowing for a major surge in this particular area, because of the impact that modern medicine has on outpatient surgery, what we're finding is that many doctors are essentially not -- are reluctant to have inpatient. They have overnight. So, what we want to do is to take thoroughly modern medicine, if you will, and put it into the Bethesda area.

Now, that will -- where I'm investing is not only in modern surgical centers to make sure that I have the best in tertiary care available, better than I have today in either hospital, but it is reminiscent that, in Vietnam, when I was up at Hanscom Air Force Base, that was where they repaired

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all of the facial injuries in -- from Vietnam. I mean, we had phenomenal facial repair. That is gone now. It's all down at Lackland Air Force Base. In fact, now Lackland is being closed and moved to Fort Sam Houston, if you will. So, times change, things change, get very modern, and that's what we're trying to keep up with.

But now to the specifics of your questions, and that is, we intend to reopen, if you will, parts of Bethesda that have been closed or turned into office space because there's nobody to use the rooms. So, we will reopen and modernize that part of the hospital, and improve its electrical facilities, et cetera, to make it a fully functioning hospital that can handle the kind of surge we're talking about. Then we also have -- intend to invest in all of the research laboratory facilities -- pathology, et cetera -- so we have that all available to us, as well.

So, I would say that right now most of the surgeon generals are just really excited about the opportunity that's going to be there at Walter Reed National Military Medical Center at Bethesda.

Mr. Skinner: Okay. Well, that's my confusion, because I've been involved in some hospital construction and building a new facility. So, I couldn't agree with you more that building a world-class tertiary care center, one

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complex, will not only be -- give better service to patients, but it'll also be a real attraction to doctors and researchers. But I'm just -- and you have, obviously, facilities that you're not operating, your licensed -- I don't know what your -- what we call in the private sector your licensed beds -- are much below what your capacity is at both of the facilities.

So, you have one facility that will be licensed beds, which will be tertiary care, rather than overnight. And then you'll have, supporting that, your lab structures, your technology structures, and your surgery centers and outpatient centers all in one complex?

Mr. Wynne: Yes, sir.

Mr. Skinner: If that's the case, I'm trying to figure out why we -- other than I understand the sanctity of the names --

Mr. Wynne: Well, Walter Reed has other campuses affiliated with it. It's not just Walter Reed campus number one, which is the one we all recognize. It has a housing area with it. It also has a maintenance complex that's separate and distinct. And so, those are not closing. So, there was a great debate as to what to call it. So, finally, what we decided to do is to raise it up a level, call it the National Military Medical Center Complex,

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including Bethesda, including Walter Reed, including Belvoir and Andrews --

Mr. Skinner: Okay.

Mr. Wynne: -- so now everybody knew what --

Mr. Skinner: So, that an umbrella organization.

Mr. Wynne: Yes, sir.

Mr. Skinner: It's an umbrella organization that will supply healthcare services through several installations, including a new installation at Bethesda. Some facilities will still stay open at Walter Reed. In addition, you'll go south and provide healthcare services --

Mr. Wynne: Right, primarily the maintenance operation there and -- which services, now, both hospitals anyway -- and the housing area there -- that's up there.

Mr. Skinner: So, therefore, the -- because the confusion is, I think, that you're closing the entire complex and moving it over. There will still be facilities at what's currently Walter Reed -- not the hospital, but --

Mr. Wynne: Right.

Mr. Skinner: -- Walter Reed Medical Center. That will now still have support functions that will be part of the Walter Reed Medical Center, which will be an umbrella organization, which will include a number of facilities throughout the region.

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Mr. Wynne: Right. And, as Commissioner Turner point out, this is not going to happen on the January the 10th.

Mr. Skinner: No, I understand.

Mr. Wynne: This is going to happen over a longer period of time, and we intend to provide every one of our wounded soldiers the best of care, no matter what. And it is interesting that they're eager. They don't like to ride the bus over to either institution to get the -- to get their care. So, I think this is going to be better for them, too.

Mr. Skinner: Now, your medical training, which you're consolidating, as well, and taking from facilities all over the country -- and maybe you could just flesh that out a little bit, because that's another joint effort, as to what -- how will -- the medical training for medics, for doctors, and for others will take place.

Mr. Wynne: Well, this is really -- part of the residency program is to spread out our doctors, no matter where they come from, into the various medical centers. And so, now they'll all be under regional headings. But the involvement, if you will, of the United States University Health System School that's at Bethesda in both the hospital there and in the National Institute of Health research program -- because it's basically -- the basics of medicine

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are taught there -- and they're also -- since it's a four-year institution, there's a lot of other things that are taught there, as well.

After they complete their work there, they go to a residency program very similar to all of the people who come through medical school. So, that's where the military residency really picks up, and that's run out of a -- that's run, right now, out of the surgeon general's location that's here -- I think it's in Ballston.

Mr. Skinner: Okay, thank you.

Chairman Principi: Thank you.

General Newton?

General Newton: Thank you, Mr. Chairman.

Mr. Secretary, obviously you've been -- from your testimony, you've been very, very close to this entire process for a long period of time. Obviously, we have a large task here of trying to get our arms around all of the information and seeking to get well informed to help bring this process to closure. Can you give us any recommendations, from your viewpoint, of how we might better do that, or quickly do that, just some thoughts on how the Commission may go about getting well-schooled on the process and access to the people who accomplished this?

Mr. Wynne: Yes, sir, thank you. I'll also involve my

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colleague, Secretary Grone, to assist me.

First of all, the hearings that you're conducting now are excellent background. Without a doubt, my compliments to who set this in motion to get you started the way that it did, setting the stage and the background for this. As I understand it, by the end of the week you'll have access to almost all of the information that -- and even the stuff that we would consider to -- might not pass security review will still be provided to your staff. So, by week end, you'll be -- I'm sure, have enough information to keep you up at night.

That having been said, I would tell you that I would -- I would first read through all of the volumes to show the interrelated nature of that, and the summary, book two, which has the -- of volume one -- which has the detailed recommendations -- gives you a starting mechanism.

That having been said, the ten volumes to follow, on Wednesday and Thursday, will be detailed recommendations. I would split those up into -- however you want to do it, but I would split those up. And the reason is, there's -- I'll just say this -- there's only 222 recommendations; however, comma -- and the "however comma" means that they spread out to over 845 installations that are touched. Some of them are categorical. You've touched upon some, Mr. Chairman,

when you talked about the Guard and Reserve. Some of them are categorical, some of them are not categorical. Some of them are -- I would tell you, are -- like the supply and storage, the involvement of DLA in depot-level repairables is a fairly broad brush through the Department, so you can probably -- if you have a -- if you have somebody who is familiar with the logistics function, you can probably back those up and put those away. And I guess that's the way I would approach it. When you get down to the distribution of mission from the Air Force, the Navy, and the Army, that's going to take some delving into.

And I would also suggest to you that you might have somebody from the Integrated Global Posture Review, because -- now that it's all been distributed by the Overseas Basing Commission, have them come over and just explain to you how that works -- because some of it, as I mentioned about Grand Forks, will actually be bases that are going to take the dependents down, but we will be rotating forces through there to sort of maintain a presence in that area.

Phil, do you have any thoughts on this?

Mr. Grone: Commissioner, the -- certainly, to add to what Secretary Wynne mentioned, each of the military departments and the joint cross-service groups, as you know, will be providing testimony this week. I've spoken with

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each of the deputy assistant secretaries of the military departments for infrastructure analysis, as well my own team, about ensuring that we keep the analytical teams in place, senior leadership groups in place, so that as you peel through the material that Secretary Wynne has mentioned, have an opportunity to look through the detailed data, the deliberative record, and the briefings that accompany the deliberative record, which is also important, that we'd be in a position to provide whatever briefings for you or staff that are necessary to either elaborate on a point, to clarify a point. Of course, all that being publicly transparent, as is necessary for your process. But we stand ready to be flexible to assist you with whatever material you may require.

Mr. Wynne: If I might follow up, I know you're going to try to go visit, and you should go visit, all the bases that are closing. In fact, that may be a requirement. I would also suggest to you that some of the realignments are severe enough that I think a visit to those locations would be appropriate. And I would encourage you to maybe have your staff surface for you the ones that are, and take a good, hard look at those, and go listen or go tour that particular area, because -- but the other things is, is that you might have in training -- in fact, we might provide you

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with a Office of Economic Adjustment -- we're going to put a program manager into the affected communities so that they have somebody -- a phone number, a point of reference, point of contact -- so that if they want to start to plan for a different future, they can certainly plan for that different future. And they can wait till January, they can wait till now, they can wait till the outcome. But it's -- I find that, you know, change is hard, and the more you can get after it, the better it is.

General Newton: Thank you for those comments. That, I think, will be very helpful for us.

One final comment. Clearly, we've stated, and I think rightfully so, that military value played a key role -- matter of fact, was probably the leading criteria for making this decision. Can you give us some sense of where economic impact might fall in the various criterion that you used?

Mr. Wynne: The economic impact is criteria number 6, as environment is, I think, criteria number 8. Military value involved the first four of the selection criteria. And so, it was not only dominant by consideration, but, also, we had a view of military judgment also -- military judgment entering into the military-value equation, so that it wasn't simply a data-driven, you know, take-it-or-leave-it exercise. But the combatant commanders -- and I know, at

least in one case, of Key West, a dive school that's down there -- the combatant commander weighed on that. And though, I mean, it may some sense to move it, he said no, he didn't want to do that, and gave us the military rationale and the military judgment for it; and so, we backed off so that they could do their mission. I mean, their mission is their mission, and we did not want to interrupt that.

So, there are two aspects, if you will. One was the calculable military value, which had to do with capacity analysis, had to do with where -- with all the four criteria that are sitting there, including cost savings, because the use of resources is a major source of military value, many times. And then there was military judgment that was applied, and it was applied in several cases where we didn't realize that we were running up against another department's -- they may have had a location that was fairly robust, where we were considering a major change in mission, and they weren't considering a major change in mission, so they would have -- actually began to own huge chunks of real estate that they hadn't planned for in their budget. And so, we tried to take that into consideration, and examine whether or not there was a better outcome that would service all of us, because we weren't going to get a -- if you will, a total closure, we weren't going to get the total mission

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redone. So, we took a look at that.

So, I would tell you that economic impact was debated in the last month as a major look. We tried to look at all of the areas where we were going to have an economic impact. We did that against the military value. We took a look at the military judgment that was affecting it. And then we came to our conclusions, which you have before you. So, it was a consideration.

General Newton: Okay, thank you very much.

General Hill: In that same line, on economic impact, let's reverse it and say economic impact for the gaining installations. How much in detail did you look at whether or not, for example, Fort Bliss can absorb -- and the surrounding community of El Paso -- could absorb 4,000 folks?

Mr. Wynne: We, in each --

General Hill: And some of the -- and in each one of the others.

Mr. Wynne: In each case, we ran a -- the comprehensive analysis, called COBRA, which I don't know where the name exactly comes from, but it is essentially a base model against the statistical marketing area that's put out by the Department of Commerce to try to find out what kind of impact we would have, not only on direct, but also the

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residual indirect. And so, we tried very hard to assess what that impact is going to be.

As you know, it is very different from moving soldiers into a location than it is moving civilian jobs into a location; or out of a location, for that matter. Civilian jobs have more of a tendency to be involved in the community. The military soldiers have a tendency to be close-hold and maybe driven more by what's on the base and the dining facilities and the various support facilities that are there. So, there's a different impact in the analysis than that.

Phil, you might want to pitch in --

Mr. Grone: Well, the --

Mr. Wynne: -- on that.

Mr. Grone: General Hill, I would add to that what Secretary Wynne described -- is, we certainly did assess every recommendation against all eight criteria, to include the ability of communities that would receive missions to absorb those missions. Again, keeping in mind that not all of this, as you know, will happen immediately, there is a phasing process here. The Office of Economic Adjustment and other parts of the Federal Government will be providing planning grants, not just to communities that are affected by a downturn from an economic perspective, but also

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planning grants for growth. And as we are looking to implement BRAC recommendations, we are making communities of growth, where the -- you know, communities where growth will occur a point of emphasis in this process, because we do have 40-plus -- 49 installations where we're going to have growth of 400 or more positions.

And the Army, in particular with regard to Fort Bliss and some of the other activities, have begun some very general discussions with national school organizations. We will shortly begin engaging the various states on how to plan for a schools, housing, and the associated infrastructure to ensure that the transition can be as seamless as it can be with the paramount consideration, of course, being the mission move, but also that the quality of life for our people is supported, and supported well, as we transition to new mission and new locations.

General Hill: Yeah. I would just say to you -- and I appreciate the -- that data -- is that the economic impact on the gaining unit is just almost as hard to fiddle -- to grapple with as the losing state.

Mr. Wynne: And, sir, we have encouraged them to contact us as --

General Hill: Right.

Mr. Wynne: -- soon as they can, or get organized.

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General Hill: But I would like to take exception with one thing that you said, which is, it's easier to move soldiers onto a base, because they kind of hang around the base and they go to the PX. That's simply not true. Only about 40 percent ever live on a base; they live off in the communities and surrounding it. They do all the stores, they do the jobs, they coach the soccer teams, they do all those things inside that community. And I don't think you meant it the way it came out, but I just have to take exception --

Mr. Wynne: Well, I thank you for that improvement on my comment.

[Laughter.]

General Hill: Okay.

Mr. Wynne: Times are a'changing.

General Hill: All right. Let me ask another couple of questions along the same lines.

Intuitively, I say to myself, moving out of the leased property into installation property, where it's excess, is the correct way to do things, but I have to bring -- I have to look at it from two points. One is the practical matter, just in this particular -- in the D.C. area, at Belvoir. You can't get onto Belvoir today, much less move a whole lot more people out there and cram them into those roads.

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That's a statement, not a question. It's just something that's going to have to continue to be looked at and worked with in the communities.

But on the leasing issue -- and I'm going to ask this question, because I've already been asked this question, and I'm convinced that I'll be asked this question when we have hearings here in the D.C. area -- you're going to move out leased military people out of different areas -- Crystal City, Arlington, Alexandria, different places -- and put them in installations. It's cheaper. But the other issues you say on there is force protection. We're going to -- it helps us in force protection. And the question I've been asked, and I am fully convinced I'll be asked again, is, What makes a civilian employee in Crystal City any less force protected than the military employee in Crystal City? And why are we spending this money protecting us, versus spending it protecting the civilians?

Mr. Wynne: Well, the GSA is well aware that our force-protection standards are higher than theirs. And it has been so since probably a year following September. But with regard to -- for pure military working for the Department of Defense and pure civilian working for the Department of Defense, there is none. In fact, one of the things we are going to do is essentially combine DARPA and all of the

military R&D houses together, because DARPA right now fully employs the Arlington Sheriff's Department around there, and has closed the road for parking in their area. If anybody's been up there in Ballston, you'll note that they put another red light in there. I mean, they've done things to essentially raise the force-protection level for the building, but it's still inadequate. And so, we are going to take all of those folks, combine them, and actually move them to a different part of the Bethesda campus that will not -- and then open a separate gate for them up there, reasonably close to the Metro Center.

But the -- but most of the buildings that are currently being occupied -- for example, the Defense Contracts Management Association is sitting in a building where the garage is open underneath, in public. Now, you know -- so, whether or not we think that's good, it's attractive. I mean, nobody really knew where DARPA was until all the police cars showed up, I mean, and have -- and shut the road down, for example -- or very few knew that that was their neighbor.

So, we may actually now be more attractive, if you will, as a target than we intended to be, simply because we're force-protecting our people.

So, those are all, kind of, the background that got us

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started. The savings, of course, come from lease savings, and the fact that we have excess land in the area. And with -- the excess land and properties, you know, is really the -- one of the biggest expenses to building these buildings and the parking that is associated with it.

General Hill: Okay. And then, finally, one last question. It's been going on for several weeks, and it's this legal issue between whether the governors have any right and any say in whether or not we close down any reserve component or National Guard -- specifically National Guard --

Mr. Wynne: Right.

General Hill: -- installations. What's your view on that? What can you tell us? Where are we on that issue?

Mr. Wynne: Well, I can tell you, to start with, the Department attempts to comply with every law that's on the books, irrespective of what our personal opinion might be. That having been said, we feel like we were well within the law and statutes. It has been tested, by the way, before, in prior rounds. Prior rounds. This is not a new precedent-setting event, to move against some of the federally-funded guard bases.

So, I would say that as we go down the road we'll try to satisfy the folks who believe they might have a legal

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case. And if we can't satisfy them, we feel that we're on the right side of this.

General Hill: Thank you.

Chairman Principi: Mr. Hansen?

Mr. Hansen: Thank you, Mr. Chairman.

Mr. Secretary, one of the great responsibilities I think that the Army's got is to devil all of the obsolete chemical warfare. Huge undertaking, and very, very expensive. Out in what's called Deseret Chemical, there -- the military has put up a facility there that costs well over a billion dollars. And because there's 43 percent of all the obsolete chemical warfare right there, planted, I guess that's, by far, the largest in America, yet that is on a list to be closed. Strikes me rather odd, when I have heard so many testimonies given from the Marines and the Army regarding not only demiling the chemical type of things, but also ammunition that they feel is obsolete, possibly equipment they feel is obsolete. I know of no one in that state who's objecting to it. But it just seems to me like quite a waste, going into that area. Question one.

Question two is -- I went back, at one time, and reviewed the '91, '93, '95 -- of what happened to the ground after it was declared excess. And, in my opinion, there are sure a lot of sweetheart deals floating around. And it just

seems to me a tremendous waste of money to the military, who had to put up the money to start with, to buy into a sweetheart deal that says, "Well, if this is declared excess, it goes to the XYZ Widget Company, or it goes to the University of Whatever, and on down the line." Is there any criteria at all that you've established that -- of what happens on excess stuff? I know you can't tell a United States Senator, when he puts into law, and it becomes the law, you'll obey the law like the rest of us. But it just seems to me there ought to be some criteria for excess property. Because I think some people have really taken advantage of this situation.

Mr. Wynne: If you don't mind, sir, I'll let my colleague answer the second one. But I'm fairly involved in the chemical demil process, as you might have read. And here's the way we looked at it.

The law basically reads that we have to tear down in place the chemical demil after we have finished demiling that, apparently because of its inherent contamination. I would have to say that. What we did was, we asked the folks -- we realized that we have to start the process of closure by 2008. There's no specific criterion for starting; it's just that you have to start, whether it's a design, whether it's an opening or a road to make sure that we can close it.

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The Chemical Weapons Convention Treaty requires that we be completed by 2012, early. So, therefore, we decided that we could be finished. And we checked with each of the program managers of the various sites that we have listed, and we have -- I think, Umatilla, Oregon, for example, Deseret -- and each of those were confident that they could be done by 2011, which would allow us to do a progressive close on those facilities, as required by statute, and we wouldn't have to go back to Congress for specific permission to close something that they already anticipated would be closed, anyway.

There were some, like Pueblo, that just didn't have the confidence that it would close by -- or complete its mission by precisely the dates that this statute requires. And I have testified before the Senate that I felt like it would extend a year or two. And, in that regard, then, I couldn't express here a confidence that it would close by 2011 if I had expressed a confidence that it wouldn't close by 2011 before.

So, that's the way it was structured.

Mr. Hansen: One of the reasons --

Mr. Wynne: The --

Mr. Hansen: Excuse me.

Mr. Wynne: Yeah.

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Mr. Hansen: One of the reasons that Deseret Chemical is on the list is because they wouldn't take the mustard gas from Pueblo?

Mr. Wynne: I will choose not to address that one, sir, because I'm already --

Mr. Hansen: I can understand that.

Mr. Wynne: -- somewhat notorious for my position.

Mr. Hansen: Thank you.

Chairman Principi: Phil?

Mr. Grone: Well, with regard to the second question you raised, Commissioner Hansen, just as a reminder, in the context of the authority to proceed with this round, Congress directed that, in the context of economic development conveyances, that the Secretary was required to seek fair market value, subject to the terms and conditions as authorized by the Secretary.

As we approach base reuse for the 2005 base closure round, our reuse principles proceed from two forms of moving out expeditiously. First, to move the mission as expeditiously as we can, with the expectation that that will lead to community economic redevelopment as expeditiously as we can have that happen. As we approach disposal, though, we want to approach this with a sort of -- a bit of a mixed toolkit approach. Rather than falling into the process that

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you described, we want to use all of our authorities, working collaboratively with local communities, to get the best outcome both for the United States as well as for that local community. So, we will use our authorities in the area of public-benefit conveyances, economic development conveyances at cost, and, at some cases, perhaps at no cost, assuming the Secretary has fulfilled the mandate specified by Congress for those. We will use public sale. We will also use new authority that we have to -- for conservation conveyances that the Department did not have ten years ago.

Recently, the Navy, with some of its larger properties, the former Marine Corps Air Station, El Toro, in California, as well as the work that it is doing at Naval Station Roosevelt Roads and the closure that was directed by Congress, is pursuing this mixed toolkit approach, which also contains elements of public sale, and which also has great promise for the future. We know that not every property will lend itself to this approach. We know that in some communities we will have to do a fair amount, working collaboratively with them, to get reuse into a position where we want to be.

But where we are is that we do not -- we're trying to design a process where one size doesn't fit all. We are trying to be flexible, forward-thinking, forward-leaning in

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our approach. And, yes, we will have more public sale, but we will not do it to the exclusion of other tools that we may have available to help unique communities in unique circumstances get themselves on the road to recovery after a major base closure.

Mr. Hansen: Thank you.

Chairman Principi: Admiral Gehman?

Admiral Gehman: I just have one question, and that is, Could you catalog for us -- because I know it's going to come up at every regional hearing that we go to -- the -- whatever budgetary provisions you have allowed for as mitigation of BRAC? That is, funding for your Office of Economic Development for studies, analysis, transition plans, MILCON, and -- what kind of numbers are we talking about, and where in the budget, in the FYDP, are they?

Mr. Wynne: I think the best way I can start is, we know that there is -- that savings is going to require investment. And we are -- have a one-time investment of $24 billion to achieve this $49 billion of savings. Throughout that is the -- all of the military construction that we think is necessary, and all of the movement of personnel that we believe is necessary. And I believe in there, there's some set-aside for grants and community involvement. We have also -- we're dedicating a program manager to each

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of the major affected communities, and probably they will also have affiliated some of the minor communities, who will have access not only to that portion of the budget, but the President has just signed an economic adjustment presidential order which involves other departments -- the Department of Commerce, the Department of Labor. And we're hoping that his order will have the effect of energizing, if you will, not just a Department of Defense approach, but a -- more of a cross-department Administration approach to this. Because we recognize, with compassion, that these people have been our partners for -- some, more than 50 years; and, in fact, some go back almost 200 years. And you've got to recognize that that is not a walkaway event, and we do not see ourselves as walking away.

They'll -- but, you know, more to your point, I think -- and, Phil, you might want to think through this -- but I think we need to put together a little packet that you might have that is aimed at the community support, that you can take with you and actually have as you visit these folks. And we'll try to endeavor to help you out with that. I think that's a great question, and we want to -- I want to follow up on that for you.

Mr. Grone: In that regard, Admiral Gehman, and to follow on what Secretary Wynne mentioned, the -- we and the

Office of the Economic Adjustment are putting together just that sort of basic package, which we expect will be distributed on the Hill, certainly to congressional offices, this week. We will also be posting it to the BRAC Website, and we'll make it, certainly, available to you as you go into the field. It'll contain a basic description of the programs of the Office of Economic Adjustment, as well as a brief description of the major programs that are managed by our sister federal agencies.

And, as we continue to evolve the interagency response, setting ourselves up for reuse discussion -- upon these recommendations becoming law, we hope -- that we'll be in a position to have that sort of kind of a response.

But, certainly, that information will be out there. We'll put it in the public square, and we'll certainly make sure that you have access to it, and an adequate and thorough understanding of it so that you can deal with that question as it comes up as you're in the field.

Admiral Gehman: Secretary Wynne, the 24 billion you referred to is for the MILCON and the movement of the forces. I mean, that's to execute the BRAC, but that doesn't mitigate any of the BRAC. That doesn't mitigate any of the impact.

Mr. Wynne: Well, I think some of the money that we

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were -- are considering is actually associated with that, as well.

Admiral Gehman: Okay.

So, Mr. Chairman, we may want to ask, for the record, what these numbers are and what the DOD plan is to -- in mitigation. Thank you very much for offering that.

Mr. Grone: Mr. Chairman, may I clarify that, just for a moment, if I might? The funds that we will -- in terms of mitigation -- because it's sort of -- it's two questions -- one is planning assistance and programs that might be available through OEA and other parts of the Federal Government. Those funds are outside the account.

Admiral Gehman: Oh.

Mr. Grone: The Office of Economic Adjustment has a budget request for that. Other federal agencies have budget requests of a similar nature. The confusion, when the -- the use of the term "mitigation" -- the BRAC account is a sole source for environmental remediation, and, as we put those appropriations requests to the Congress, there will be -- that will be the place --

Admiral Gehman: Yeah.

Mr. Grone: -- in a location where that form --

Admiral Gehman: I think that's the confusion.

Mr. Grone: -- of mitigation will occur. And I just

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wanted to make sure that -- to clarify. Because there are two aspects to the question.

Chairman Principi: If we can get that information for the record, Admiral.

Mr. Coyle?

Mr. Coyle: Thank you, Mr. Chairman.

Gentlemen, thank you, again, for your testimony this afternoon.

Technology is more important to the U.S. military than any military in the world, and it helps our military have capabilities that are the wonder of the world. As soon as your draft criteria came out, many people noticed that the criteria did not address U.S. technological advantage to provide a proactive and rapidly adaptable force. The draft criteria are silent about maintaining scientific and technical excellence. And, further, in recent years the trend has been to rely on industry for Defense science and technology and to undercut in-house government and military-service technical capabilities, which the Department needs, both to be a good customer and also to -- so as to be able to pursue important technologies, which industry does not.

I know you got many comments about this during the comment period on your draft criteria, but you didn't change the criteria. And my question is, why? Considering your

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focus on Defense transformation and the technical edge, which U.S. forces need, why wasn't the importance of facilities for technical excellence given more weight?

Mr. Wynne: I would say it this way, that we felt like the criteria gave us a lot of leeway to examine the surge requirements in technology just as easily as the surge requirements of mobilization. I used the director of Defense Research and Engineering to run the technical joint cross-service group with an eye towards, What do we need in the future, and how do we gain the investment to essentially create a dominant force structure in the future? And I will tell you, that was the -- he had assistance from laboratory directors from across the country to achieve his goal.

But it is a case of -- we also are interested in making sure that the straightforward budget -- and this goes close to where Admiral Gehman was going -- the straightforward budget for this has to continue to rise, because the marketplace for science and technologies can't continue to shrink and we just pursue it. But that's a whole 'nother topic area.

For us, what we tried to do is make sure that we had the centers of excellence, that we had the expertise available. And we actually allowed for, if you will, two points of competitive thought to be available within our

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context of a center of excellence. So, what we did, if you will, was set the table, and now the next step is, if you will, to gain the investment strength to essentially get our investment back up to where we would like to see it. There's a host of topics on this in the future. But we took the opportunity through the technical joint cross-service group, I guess, to really force that issue a little bit.

Mr. Grone: And, Commissioner Coyle, if I -- I might add, debate over the selection criteria -- I mean, for the Department and from the Department's perspective -- the selection criteria had to be broad enough to apply to all the missions and functions of the Department --

Mr. Coyle: Right.

Mr. Grone: -- but yet be specific enough to guide decision and sustain the legal requirements that the Secretary had before him in the development of recommendations, as well as to guide the Commission in the conduct of its work.

In the Secretary's response that was published in the Federal Register when these criteria became final, the Secretary indicated those areas that were raised as the one that you raised, where in the selection criteria that would be accommodated. The Secretary fulfilled the commitments that were in that Federal Register comment.

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In addition, it should be noted that, within the context of this process -- in part, because of the joint and unique nature of this round of BRAC -- the Department developed a set of BRAC principles which were contained in policy memorandum two, in with -- within which, under the question of equipping the force, the notion of putting superior technology in the hands of the war fighter to meet both current and future with references to netcentricity and knowledge-enabled warfare and knowledge-enabled workforce, are there that helped guide the process and fed into the deliberations that Mr. Wynne described in the context of the technical joint cross-service group.

So, the selection criteria are important, critically important, because they are a foundational element for the recommendations. We did indicate where we would take these into account. We did -- we believe we did take them into account. And those principles that you refer to, which are so critically important to the future of the joint force, are found in the BRAC principles we used to guide the work.

So, while one may have questions or -- about the nature of specific recommendations, I think, as Secretary Wynne indicated, we did very thoroughly look to those functions, and we recognize their critical importance to the future of the Department.

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Mr. Coyle: With respect to cost savings, I noted, in going through your volume one, that when you look at the net present value of the cost savings over 20 years, that, for many of the proposed closures or realignments, that value is less than five or ten million dollars. In fact, there's some that are less than a million, just a few hundred-thousand dollars. Considering that it's not unusual for -- in the Department of Defense -- for costs to be much, much higher than estimated, won't many of these proposed realignments and closures turn out not to be cost effective?

Mr. Wynne: Well, I will say it this way, that we have a peculiar process here, in that there wasn't a lot of enthusiasm to accomplish many of the things that we suggested. So, it was almost as if we were overcoming, sort of, the cost barrier in order to effect some of the things.

Historically, the GAO has basically said that we have overstated the costs and understated our savings, probably as a result of the peculiar nature of this particular exercise. But the -- but some of the things that you looked at, I think, could be considered as opportunities where we realigned or moved -- or closed, in some cases -- to meet a larger strategy. And so, it is -- it's kind of interrelated. Very few of the smaller-dollar ones stand on their own merit. They mostly are on merit as a result of

being involved in a larger strategy. "They," being, if you will, one of the remnants that was close, and close enough that we felt like the cost-benefit equation would probably, at the end of the day, move into our favor.

We actually examined, towards the end of the run, anything that was of a longevity -- i.e. paid back in 25 years, or 27 years, or never paid back. We got down to, I think, three or four of those that we decided were imperatives that we wanted to put forward anyway. And one of them is, in fact, the Joint Strike Fighter Initial Pilot Training Base, which never pays back, because it is almost the -- evidenced as a new mission. But it was so transformational, we decided to go ahead and pay for it, if you will, on the back of an installation or a back-shop's breakthrough, like it's supply and storage.

Another one is the movement of the 7th Special Forces group to Eglin Air Force Base, which we also felt like was very transformational. It is another one that is very-large dollar -- you won't miss it -- and it also never pays back.

So, we did try to cull out those that were of a dubious economic nature, and tried to make sure that they were either tied to a larger strategy or they were an imperative that we just wanted to do.

Mr. Coyle: And, finally, your Appendix C, which came

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out on Friday the 13th and lists all of the recommended closures and realignments by state, conflicts significantly with the respective numbers in your volume one, the fatter thing which we got this weekend. These inconsistencies are very difficult to reconcile, and make it correspondingly difficult to perform the analysis that we need to do.

There are a number of examples. One is the National Geospatial-Intelligence Agency is recommended for closure. Volume one indicates that 2,833 jobs are affected, but your Appendix C is silent on that. And, of course, 2,833 jobs is significant and of a level that certainly we want to examine.

And we heard the testimony earlier about how you used the metropolitan statistical areas for your analysis, but we need the kind of information that's in your Appendix C done on a non-MSA basis. Do you have that? And will you support providing it to us, if you do?

Mr. Wynne: Well, first of all, let me tell you that we manage to confuse ourselves, because the movement was within a certain distance, and there was no loss of our -- or contemplated loss of employment. However, comma, we went across the state line, which begins to say, well, you -- therefore, this state didn't do as well as this other state.

So, what we have elected to do is, we will have to go

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into parsing this SMSA area. To be more specific, we have, also, a micro-economic area which we tried to find ourselves with, because some people took issue with -- that we had involved too large an area, and this one was on one edge of it, and was fairly severely hit, or maybe would have been more severely hit, or more severely gaining, if we had gone to a micro.

So, we are intending to support you with that particular question and analysis, and we'll cut it as finely as we can. We've got 25 million different data points. Hopefully, we don't do that compilation mathematically of cuts, but -- the other thing is, is when -- as we were putting these books together, as you've noticed, and I think rightly so, we've continued to make changes and errata. And we're hoping there's not too many, because it's -- we're pretty proud of what we did, but we know there's going to be some catches.

Mr. Coyle: Thank you.

Mr. Grone: Mr. Coyle, in that regard, the -- just so the Commission understands, within the context of a major-metropolitan statistical area, or a micro-metropolitan statistical area, if we -- you were moving ten folks from one installation to another installation, and it's in the MMSA, the net effect of that is, it shows up as a model of

zero, even though, in the recommendations, when you start to peel it back, you will see minus ten over here, and plus ten over here. We can certainly shred that out, but we did provided the appendices in two forms. One was the net-nets, by installation; and the other one was the nets by major-metropolitan or micro-metropolitan statistical area. We certainly have all the background. Because all of that data in the appendix came out of the same data -- out of the same database. So, it's just different ways of shredding the same information. But we can certainly provide it in whatever form may be useful for the Commission.

Mr. Coyle: Along those lines, you can't help but notice that some of the closures are very small, affecting only a handful of people -- in some cases, only one or two -- while some of the realignments are very large, affecting thousands of people, both military and civilian, and effectively closing major activity in an affected facility, but you don't see that the way the data is presented.

Mr. Grone: Yeah. I mean, we have to -- regrettably, in those cases, we have to deal with the definitions as they're laid out in Title 10 and in the BRAC statute, and -- but we can certainly sort of parse that to make sure that you have a full and complete understanding of the actions --

Mr. Coyle: Thank you.

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Mr. Grone: -- that the Department has recommended.

Chairman Principi: Mr. Bilbray?

Mr. Bilbray: Yes, thank you, Mr. Chairman.

This may be answered in these -- particularly, your report one and two. I just got mine this morning, because they didn't want to ship it out West, because by the time it got there, I was on my way here. The economic input from communities, did you take that in? What it would cost, say, in South Dakota, for the loss of their major airbase, was that -- is that in the report, or is it found anywhere what the communities say they'll lose in income and revenue and so forth?

Mr. Grone: Well, we are not, Commissioner Bilbray, able to take representations from a local community into account, as the Secretary and the Department developed recommendations. Our foundation -- the foundations of the inventory, the force-structure plan, the selection criteria rest on certified data. As we did all of our analysis to include the economic analysis, economic impact analysis, and the ability of communities to absorb and adjust to missions, as we put those questions into the system to receive answers back, we relied on databases that could be certified. That is, that they were accurate and complete to the best of the knowledge of everyone in the system who handled that

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material.

Mr. Bilbray: That's in report one, two, three, or four?

Mr. Grone: It is in report one, in terms of the approach that we provided.

Some of those, in some of the cases of the economic databases, they are databases that are widely available and utilized. I have no doubt that in some cases there will be communities that look at the data that was used for the consideration of economic impact, and disagree, and be able to provide you with data that's to the contrary. That is one of the latitudes that the Commission has. The Secretary and the Department were bound by the certification requirement, and that required that we treated all bases equally, and that we, as we put those questions out for response, had to be assured that the information coming back was certifiable. And so, we have what we do believe is accurate and complete information, and I'm sure that there will be debate on that by some folks as they get a chance to look at what we have provided.

Mr. Bilbray: The other -- another question is, the Secretary, I think, kind of, rolled around on the 70,000 troops coming back, saying, "Well, we've projected that, but that might not happen for a long time," never really saying

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what "a long time" is. It could a year, two years, five years, ten years.

You know, I was on the Armed Services Committee, as Congressman Hansen, and I remember the Department of Defense coming to us on the MILCON budgets and saying, "We need money to build up in -- at Subic Bay and at Clark." I remember the Committee asking them, "Well, what about the treaty with the Philippines on -- are they going to renew?" And they said, "Oh, they're just posturing. They're going to renew the treaties." Of course, we had Mount Pinatubo that hit and almost destroyed Clark. But the Committee didn't put all that money into those bases on their projections.

And that kind of worries me, that we will then, on the opposite way here, close bases, find 70,000 troops coming with no place to put them, and having to build major military construction projects on bases around the United States to accommodate additional troops coming home from Europe and Asia and -- while we're closing bases that have a tremendous economic impact to some communities.

South Dakota, for instance, I mean, it's devastating if you have -- if you believe the reports, that half the employment in the state, other than farming and mining, is from the Air Force, and that -- I mean, this has to be

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devastating. Connecticut has to be devastating with -- Maine. And that's why I'm really interested in looking at the figures of what you have, and we're having, like, 60 regional hearings -- I don't think all of us will make all 60 in three months, but that's -- to hear the testimony of the communities.

Now, I'm wondering, when you were doing this report, are you like most government agencies, that you have a little fudge factor in here for us? You know the past history as the BRACs have shut down, 10 to 15 percent and rejected it. Did you develop a list of what your priorities on this list are? In other words, is the closing of a certain facility more important than the closing of another facility, other than economic, that we can see, ourselves? Or are you telling us that you thought the Committee was going to approve everything that you have before us?

Mr. Wynne: Well, we hope that you do approve everything that you have before us, without a doubt, but I've told the Secretary, frankly -- I offered the 15 percent -- that was actually changed and altered. It wasn't actually removed or added or anything like that; it was -- but it was changed. And I was said, "As far as I'm concerned, I think that we -- we need to take that as a quality standard." And, hopefully, we will do a little bit

better. In other words, we'll be a little bit more convincing, or our data will be a little bit more solid.

I think, as Secretary Grone pointed out, though, the -- you all are going to receive community input that we were not able to get. We had to use fairly broad databases that were available nationwide, usually from agencies that were certifiable, if you will, from an audit standpoint. And I would encourage you to do that. I have greatest respect for the communities surrounding these bases that we're talking about, and hopefully they will make their case -- or their best case to you.

That having been said, I think our view of the military value, the lay-down of the forces that we've done, will posture us for the 21st century. I think burdening us with additional bases decays that problem. And, of course, adding anything to the base structure, which, in fact, happened before, hurts a community, inadvertently.

So, those are the -- those are, sort of, the way I would portray it. But, no, sir, we did not, if you will, put some fudge factor -- that I know of, anyway.

Mr. Bilbray: Thank you, Mr. Chairman.

Chairman Principi: I just have one further question. I'd like to focus on New England for a moment. New England takes quite a hit, in terms of closures -- with New London,

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some-over-9,000 military, civilian, and contractor personnel; you've got Portsmouth, with probably six- or seven-thousand people; Brunswick. So, just the economic impact, alone, on these relatively small states will be very, very significant.

But I'd like to focus a little bit on military value. We don't have the justification yet, the documents yet, to determine how these military value criteria were worked out. But, with Portsmouth, you only have one of -- it's only one of four remaining major naval shipyards that perform primarily depot maintenance work on nuclear-powered submarines.

I've heard from Navy colleagues in the past, unrelated to BRAC, that Portsmouth is one of the most efficient and high-quality shipyards in the Navy. How will military value be enhanced by closing down Portsmouth? How do you replace the highly technical skilled workers in this nuclear-power field? And how long will it take you to do so? Why was the decision made to move -- close down New London and transfer the assets to Norfolk and Kings Bay, and not the reverse, to move them up to New London, where you have Electric Boat? Can you just give me some sense of the military-value criteria here, as applied to these military bases in New London -- in New England?

Mr. Wynne: I can give you a start, Mr. Chairman. I would ask that you might ask the Secretary of the Navy and the CNO when they come. They will certainly be -- and, hopefully, they will not completely turn around any of my answers, as I make them independently. Because what I tried to do was stay away from the military judgment as far as I could, and make sure that I had the full involvement of the military officerships, as far as the dispersion of their forces and where they would rather have them and not have them.

I can address Portsmouth, which is a fine yard. I mean, we have a great respect for the capability that Portsmouth has performed. In fact, as I understand it, the -- on Thursday, or something, they actually got an award for being a terrific performer.

That having been said, our nuclear-submarine fleet is not growing; it's diminishing. The repairs to be performed at Everett, at Pearl Harbor, and at Norfolk are satisfying, and we have excess capacity at all four of those yards. The -- they have, if you will, personnel down there that are trained in nuclear repair, at all three other yards. The -- if there's a specific niche of talent there in Portsmouth, we would, of course, offer them to go down to Norfolk or grow that back. But nuclear-submarine work is performed at

Newport News, it is performed at Electric Boat, and there is talent available at -- in that field.

As to New London, the -- I know the Navy will probably give you additional input, but, in fact, they wanted two submarine locations; and Kings Bay and Norfolk, frankly, out-pointed, if you will, on a military-value and military-judgment basis for the demands of the mission, than did Groton. They also have, on the West Coast, San Diego and the Puget Sound area, Bremerton, so they were immensely satisfied.

But, as was mentioned before by Commissioner Coyle, you've got to have a -- you've got to -- the market is not going up. The market is actually stable to down.

Chairman Principi: Thank you.

Any further questions by Commissioners?

[No response.]

Chairman Principi: Thank you, Secretary Wynne, Secretary Grone, we very much appreciate your testimony today.

May I just request that you try to get us the data as soon as possible? You know, there is a seven-day statutory requirement from the point that the recommendations are released. I know there's a great deal of burden on your shoulders, but anything you can do to facilitate that would

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be very, very helpful for the Commission.

Mr. Wynne: Thank you, sir, we'll take that one, and we'll also take Admiral Gehman's --

Admiral Gehman: Please.

Mr. Wynne: -- question to heart.

Chairman Principi: And the questions for the record, please get them back as soon as possible.

Thank you, sir.

We'll take a five-minute recess.

[Recess.]

[Press conference follows:]

Chairman Principi: Good afternoon, ladies and gentlemen. I'm pleased to have this opportunity, along with my fellow Commissioners, to answer any questions you might have.

We had a very, very informative day. The Secretary emphasized that change is nothing new; that closing and restructuring bases is part of the process, is essential to respond to the changing military capabilities and certainly changing threats and challenges. I believe he adequately addressed the issue of the interrelationship between BRAC and the Quadrennial Defense Review and some of the other ongoing studies; and he points out that we can't freeze in place pending study outcomes, since there are always studies

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ongoing at any one time. And he asserted, I thought quite effective, that BRAC isn't just about saving money, but about making the military much more effective, much more efficient, a jointness between the services to enhance our military capabilities, our readiness and joint war fighting capabilities, about the importance of stressing that military value is the highest priority. And it certainly is national security. We must be mindful about economic impact and return on the investment of some of these major, major changes. And that the reserve components are taken into account in some of the restructuring that is taking place.

So, overall, I think it was a good day, and I think it just pointed out the complexity of our undertaking, as all of these realignments and closures are -- in many cases, are linked to one another. And there may be one closure or one realignment, but it impacts others, as well, and we have to take that into consideration in our deliberations.

But, please, I'll turn it over to you for your questions, and the Commissioners will be here to help answer.

Voice: Sir, you mentioned, just a second ago, the idea that the Secretary raised, that these are, sort of, interrelated changes, and that if you take one away, it might, sort of, unravel. Do you or the other Commissioners

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feel your hands are tied in any way by that? Is it going to be more difficult than it might have been for other Commissions to make changes to this list if it is sort of all --

Chairman Principi: I think it's going to be more difficult. I wouldn't say that it ties our hands, but certainly as we look at making changes to the Secretary's recommendations, we just need to be mindful that it's a daisy chain, and, if we touch one part of it, it could have an impact on other parts. And that, indeed, makes our work more complex and more difficult. But it -- I don't see it as stopping us in any way.

Voice: Mr. Chairman, I know you're just beginning your work, really, and you just got this report, but, just in terms of the overall, what is your gut reaction right now to the recommendations? If you take them as a whole, do they seem -- what you were expecting, reasonable, too much? How would you characterize -- how does it compare to what you were expecting, or what's your overall --

Chairman Principi: Well, I think it really is too early to tell. There are a lot of recommendations here. I mean, there are, you know, 33 major base closures, there are 29 realignments, but there are also something like over 700 other realignments and closures that are of a smaller scale,

a lot of reserve components. And we talked a little bit about that today.

So, I think the -- I'm surprised by -- although we talk about, you know, 25 or 20 percent, a smaller number, of major military realignments and closures, there are a significant number of smaller ones that we need to take into consideration. But we need to get the data, we need to get the justification before I think I'm in a position -- I would ask my Commissioners if -- how they feel about that -- before we can really assess whether these proposals are reasonable or not.

Does anybody else want to comment?

Mr. Bilbray: I'd like to say one thing, that I just basically think that we've got a lot of bases. That's what's our problem, not the daisy chain of bases, like the Chairman said, and which is true, but the fact is, when they give you so many things to look at -- no other BRAC Commission has ever had to look at as much as this BRAC, and that's what makes it difficult. We've got to give the people of those communities a chance to tell us what they feel and to look at those facilities. And it's just tough. I wish Congress had given us more time than just three months, really, to do this, because this, to be done adequately, should be done in six, seven months.

Voice: How will you decide when to send Commissioners to see a base, to visit a base, or when it's not necessary?> You are going to send Commissioners only for the major closure and realignment?

Chairman Principi: The Commissioners are discussing that now. Now that we have the list of proposed realignments and closures, we're making some decisions on which bases need to be visited, which ones the staff can visit. Clearly, any military installation that is -- has a major impact will be visited by one or more Commissioners. We will also hold roughly 16 regional hearings in affected areas of the country. So, we are going to do everything without our power within a very limited period of time to visit as many bases and hold as many hearings as we possibly can.

Voice: I'd like to ask Generals Turner and Newton a question about Air Force Reserve recruiting and retention. That clearly was an issue today, and I was just wondering of, given your experiences in the Air Force, whether -- you know, what you thought about that.

General Newton: Well, as was indicated earlier, it may be -- we certainly indicated there's a lot of information we don't have yet, and we're still waiting for that. So, it may be a bit premature for us to make some judgmental call

here. No question about it, there is a lot of reserve-component units that are impacted here. General Myers spoke to, that there may be different missions going into these locations, and it may not impact the personnel there as much as would seem obvious to us. But, again, I think we still have to wait until we get that background data, take a look at that, and then come up with some judgments out of that.

General Turner: I would agree with that. And I would also add that, over the years, it's been very apparent to me that the people who are serving in the reserve component, as well as the Air National Guard, are a very dedicated bunch of folks who really, really want to serve. And I don't know that we're going to see that change. But, again, a lot depends on how everything comes out.

Voice: I have a question for Mr. Coyle, actually. The question you had about the cost savings being less than a million dollars and several-hundred-thousands dollars in case of some of the base closures and realignments, were you satisfied with that answer? And this is something you'll be focusing on as the BRAC process goes forward?

Mr. Coyle: Well, part of what the Commission will be doing will be looking at those cost figures. And we haven't gotten all of the volumes yet, so we're just beginning that process. But one of the things that we will want to hear

from communities where we visit is, Do you think the Department of Defense got the cost right here? Does this seem about right to you?

As you know, in past BRAC rounds, sometimes the Commissions have not supported the recommended closures because of cost reasons. The Commission didn't feel that the cost savings were there. So that will be one of the things that we'll want to look at, too.

Voice: If I could just ask on the politics of this, I mean, I noticed you questioned the impact on New England. Some people said blue states did poorly in this, and red states were net winners. Have any of you suspected that politics had any role in this whatsoever, so far? Do you have any --

Chairman Principi: I'll ask my Commissioners to comment. I certainly have not suspected that politics has played a role. I don't think you can look at total numbers of gainers and losers -- some states, like Texas, that come out on the plus side because of the realignment of overseas forces, to places like Fort Bliss and Fort Sam Houston. But there are 16 base closures in Texas that impact a lot of people, and I think that's true across the country. So, I have not evidenced any politics playing a role in these recommendations.

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General Hill: Let me add to that. I would like to add to that. The process has been ongoing inside the Department of Defense for the last couple of years. And let's assume that if you took that conspiracy theory farther, and you would say, "Okay, there is politics involved in there," what is not political about it are those uniformed folks, and they are providing their judgment. And that would, in no way, shape, or form, play in it. I've been a part of that process.

Mr. Skinner: Let me just add that if you look at it and analyze it thoroughly, you're going to see that you can't really -- there is no theme there. I mean, some blue states did very well, and better than they thought they were going to do, and some red states did worse than they thought they were going to do. And I think that shows that there was some very solid judgment.

And I think -- you know, Secretary Rumsfeld pointed out today, a lot of work has gone into this by a lot of people, both uniformed and civilian, and they're entitled to a presumption of regularity. And I don't think there's any sign so far that there's been any irregularity or any political influence. In fact, I'm delighted that there isn't that kind of influence, because it's going to make our job a lot easier.

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One other point you made, it wasn't just the Air Force Reserve. I think what a lot of us are concerned about is the Army National Guard and the Army Reserve that's bearing the brunt of the injuries in battle and redeployment into Afghanistan, Iraq, and other parts of the world. And over 60-some percent of the closures affect Army Guard and Army -- mostly Army Guard and Army Reserve facilities. And these are the people whose lives have been disrupted the most, and they're being redeployed two and three times, and they have the biggest recruiting problems. That's where we're coming up short on the recruiting.

And what I think the Commission -- my questions were, and I'm sure the other Commissioners were the same, is that we don't want to do anything that's going to make it any harder on these people and their families than is absolutely necessary, not only from a quality-of-life viewpoint, but also as a recruitment and retention point. We can't afford to lose these trained soldiers and sailors and airmen, but primarily Army National Guard and Reservists who are bearing the brunt of the injuries and deaths over there, as well as the Marine Corps, obviously, and the active-duty personnel.

So, I think that was a concern that was expressed, and we're going to be looking at that very seriously.

Voice: One question for Congressman Hansen. In the

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past -- when the Commission had to consider the proposal -- Puerto Rico -- the Vieques case was driving your decisions or -- I would like to know if the Vieques case in any way driving your consideration on the proposal --

Mr. Hansen: Oh, on Vieques? Well, I had some strong feelings on that, as you may recall. And as long as I was in Congress, they didn't close it. I was out of Congress, and they closed it in two days, so that tells you something.

I still think it was a mistake, because that's the one place you could send these kids out to finally get their final training. And we were sending carrier battle groups and others to the Mediterranean, and they were not trained to the capacity that they were supposed to be, going out. And, frankly, I think that Vieques is a dangerous place because of all the armaments that are there. And if I was still chairman of the Resource Committee, I would suggesting making it a wilderness, because that's the only safe way to handle it. But, anyway, we'll see what happens on it. I don't think it's going to be anywhere near as good as the folks in Puerto Rico think it's going to be. That's my very biased opinion. I apologize.

Voice: Do you believe that -- your consideration of the -- Puerto Rico in any way your -- with Puerto Rico would affect your --

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Mr. Hansen: I, candidly, would have no way of knowing, because I was out of the situation at that time. And I kind of doubt that. But I would have no way of knowing the answer to that. Maybe some of these other Commissioners would have a much better handle it than I would.

Voice: There's a situation with social security and President Bush's agenda and the war -- ongoing war in Iraq. Is this another decision why they must close or the situation that we're faced with currently with closing all the different bases and knowing it's going to hurt so many different families -- I think you said 7,000 --

Chairman Principi: I didn't hear the entire question, but I can assure you, this is an independent --

Voice: -- agenda with social security in the next 10 to 20 years, and with the ongoing war in Iraq, is this the main reason why they have to come to terms and reduce all of this as soon as possible? Is this the situation we're in?

Chairman Principi: Well, this is an independent commission that will assess very carefully the recommendations by the Secretary of Defense and to do what's right for the American people for our national security and to assure that we have the military capability to protect our men and women in uniform. That's the entire basis for this process, and I have every confidence that we will see

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the process through to completion in the best interests of the men and women in uniform.

Thank you very much.

[Whereupon, at 5:00 p.m., the hearing was adjourned.]

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