

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

AUG 17 2005

The Honorable Anthony J. Principi
Chairman
Defense Base Closure and Realignment Commission
2521 South Clark Street, Suite 600
Arlington, VA 22202

Dear Chairman Principi:

Thank you for the opportunity to testify at the July 18, 2005, Commission hearing and for the thoroughness and patience you, your fellow Commissioners, and staff exhibited during your July 19, 2005, deliberations. The serious thought and energy that the Commission has devoted to independently evaluating the Department's recommendations against the force structure plan and selection criteria strengthens the BRAC process.

As a follow-up to the Commission hearings held on July 18th and 19th, Mr. Frank Cirrillo, the Commission Director for Review and Analysis, asked the Department to answer a number of questions for the record. Responses to the specific questions are provided below:

- 1. Do DoD or the individual services directly benefit from the sale or enhanced use lease of DoD property or do the proceeds from such sale or enhanced use lease flow to the U.S. Treasury?*

Section 2906A of the Defense Base Closure and Realignment Act of 1990, as amended, provides DoD with the authority to retain proceeds from the lease, transfer, or disposal of any property closed or realigned as a result of BRAC recommendations. These funds are deposited directly into the Department's BRAC Account making them available for implementing other BRAC actions. Outside of the BRAC process, if the Department enters into an enhanced use lease arrangement pursuant to the authority granted it by section 2667 of title 10, United States Code, funds received for that lease are deposited into a special treasury account established for the military department. Funds in that account are available, as provided in appropriation acts, for "(i) Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities, (ii) Construction or acquisition of new facilities. (iii) Lease of facilities [and] (iv) Facilities operations support."



- 2. Is there a DoD certified or otherwise approved definition of strategic value and strategic presence? Please provide.*

The terms “strategic value” and “strategic presence” represent the ability for the Department to operate from or through various regions of the United States. During Infrastructure Executive Council (IEC) deliberations, it became apparent to IEC members that if not reviewed carefully, the cumulative effect of BRAC recommendations could impair DoD’s current or future mission capabilities in a particular section of the United States. The IEC considered the entirety of the Department's BRAC recommendations to ensure forces were located in such places to ensure they support needed mission capabilities. The members referred to this effort as a consideration of strategic presence.

- 3. Additionally, please explain how the recommendations presented by the Secretary to the Commission support the concept of "strategic presence" as applied to the Northeast, Northwest, and North central tiers of the "Lower 48" states. The Commission would like this question to respond to any aspects of this query as you deem appropriate, with particular emphasis on enhancement or retention of appropriate air defense and air sovereignty missions.*

In reviewing the application of strategic presence, the Infrastructure Executive Council (IEC), using its military judgment, felt the aggregate affect of BRAC candidate recommendations in various regions of the U.S., specifically the Midwest and Northeast, would be to deprive the Nation of a required presence in those regions. It is for that reason that the IEC modified the closures of Grand Forks AFB, Naval Air Station Brunswick, and Rome Laboratory, into realignments. With respect to air defense and air sovereignty, while they are strategic concepts, these factors were directly considered within the Air Force’s aircraft laydown plan.

- 4. Sec 2912 (a)(1)(A) of the Base Closure and Realignment Act of 1990 as amended required the Secretary of Defense, as part of the budget justification documents submitted to Congress in support of the budget for DoD for FY 2005, to include a force-structure plan for the Armed Forces based on an assessment by the Secretary of the probable threats to the national security during the 20 year period beginning with FY 2005. Please provide a copy of the threat assessment submitted to the Congress. In addition, identify the office or agency that prepared the assessment. If the threat assessment submitted is the same as the condensed pages included in the classified and unclassified versions of the May 2005 Base Closure and Realignment Report, please identify and make available to the Commission the unabridged 20 year threat assessment which served as the basis for the condensed versions.*

On March 15, 2005, the Department provided Congress with a revised Force Structure Plan containing a classified threat assessment and force levels for the 2005-2025 time period. This same classified Force Structure Plan was provided to the BRAC

Commission on May 13, 2005. The threat assessment, entitled "Probable Threats to National Security" can be found at pages 7-10 of the classified force structure plan. The Department prepared an unclassified version of this Force Structure Plan (including the threat assessment) that was incorporated into Volume I, Chapter 2, of its Base Closure and Realignment Report. Other than the previous version of the Force Structure Plan provided to Congress in 2004, the Department neither prepared nor used any other Force Structure Plan or threat assessment in its analysis.

- 5. Please explain why the Commission should favorably consider those closure actions that appear to be below the "BRAC threshold", specifically regarding any benefit to both losing and gaining military installations gained through BRAC that could not be achieved within the Department's existing programmatic procedures.*

When Congress authorized the BRAC 2005 round, it provided DoD with a singular opportunity for supporting the Department's transformation inside the United States. While BRAC traditionally identifies excess physical capacity that can be eliminated, the Secretary wanted to use this opportunity to make an even more profound contribution to transformation by rationalizing our infrastructure with defense strategy. His November 2002 memorandum establishing the BRAC 2005 process articulated that BRAC 2005 should be the means by which DoD's current infrastructure should be reconfigured into one in which operational capacity maximizes both warfighting capability and efficiency.

The Secretary directed the Department to conduct a comprehensive infrastructure rationalization examining a wide range of options for stationing and supporting forces and functions. The process established by the Department involved segregating analyses into common, business-oriented functions, conducted by Joint Cross-Service Groups, and operational missions, which were reviewed by the appropriate Military Department.

Integrating below threshold activities into the BRAC process provides several benefits that are not enjoyed if implemented outside of the BRAC process. First, the comprehensive nature of the BRAC process review involves comparing facilities across DoD conducting similar functions. Below threshold moves are generally activity-based with little consideration given toward enhancing capability across DoD. The "big picture" perspective provides DoD with a better assessment of the functions and facilities needed to meet mission capabilities.

A second significant difference is that the BRAC process calls for an independent review by a commission charged with ensuring the DoD's analyses followed prescribed, publicly reviewed, criteria and accommodated future force levels. Subsequent reviews by the President and Congress are restricted to accepting the recommendations on an "all or none" basis. Below threshold actions receive no such extensive review nor do they provide protection from selective rejection by Congress. The all or nothing provision in BRAC is a critical protection of BRAC recommendations because it allows DoD to

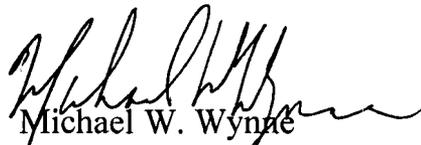
rebalance its force structure and infrastructure based on Defense-wide strategies rather than in suboptimized pieces. In most instances, a below threshold action would never be contemplated outside of BRAC because there is no compelling force to bring smaller activities under a single microscope for review.

Finally, property disposal under BRAC is focused on community redevelopment and reuse. Where below threshold actions would require disposal of property, these actions would have to be pursuant to the Federal Property Act, which does not provide a preference for the local community nor any requirement to dispose of the property in accordance with the local community's plans for redevelopment. The local community would stand in line for the property behind other Federal agencies, the homeless, and potential public benefit recipients, and would then have to pay fair market value for the property.

The best analysis of DoD's resources results when all facilities are included. This precedent was finally established in the previous BRAC rounds.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,



Michael W. Wynne

Chairman, Infrastructure Steering Group