



# CHAPTER 3:

## PREVIOUS EXPERIENCE WITH BASE CLOSURE

### HISTORY OF BASE CLOSURE

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In the early 1960's, at the President's direction, Secretary of Defense Robert McNamara developed and implemented a base closure program within the Office of the Secretary of Defense, with minimal consultation with the military departments or Congress. Hundreds of bases closures and realignments took place during this period, and more than 60 major bases were closed.

In 1965 President Johnson vetoed legislation that would have established reporting requirements providing more Congressional oversight in any DoD base closure program and the Department of Defense retained broad legal authority to complete base realignments and closures, and did so routinely throughout the 1960's.

The Congress failed to override President Ford's veto of the 1976 Military Construction Authorization Bill, which contained a provision prohibiting any base closure or reduction of more than 250 civilian employees until the Department had notified Congress of the proposed actions, assessed the personnel and economic impacts, followed the study provisions of the National Environmental Policy Act (NEPA), and waited nine months.

However, in 1977, the Congress passed legislation (codified as Title 10, United States Code, Section 2687) requiring DoD to notify Congress if an installation became a closure or realignment candidate. The law also subjected proposed closure actions to NEPA's comprehensive environmental evaluation requirements and required reports on local economic and strategic consequences. In addition, DoD had to wait 60 days after Congressional notification before proceeding with proposed base restructurings. These and other procedural requirements established in Section 2687 effectively halted base closures. For a decade following the passage of Section 2687, attempts to close major installations failed, and proposed realignments of small military units were often thwarted by Congressional opposition.

### THE 1988 COMMISSION

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By 1988, the Defense budget had declined for three straight years and was predicted to decline further. To ensure that scarce DoD resources would be devoted to the most pressing operational and investment needs rather than maintaining unneeded property, facilities, or overhead, Secretary of Defense Frank Carlucci chartered the Defense Secretary's Commission on Base Realignment and Closure on May 3, 1988. Enacted in October 1988, Public Law 100-526 provided the statutory basis for this one-time approach. The law also provided relief from certain statutory impediments to closures, such as a partial exemption from NEPA, delegated property disposal authority, and an expedited process for Congressional review of BRAC recommendations.

The 1988 Commission recommended the closure of 86 military facilities and the realignment of 59 others, approximately 3 percent of the domestic base structure. Annual savings were estimated at \$693.6 million.

Secretary Carlucci accepted all of the recommendations and Congress did not enact a joint resolution of disapproval. As a result, the Commission's 1988 recommendations went into effect and have the force of law.

The 1988 Commission was appointed by, and reported directly to, the Secretary of Defense. It generated its own list of recommended closures and realignments. All hearings and votes were conducted in closed sessions. Little information about how the Commission arrived at its recommendations was available to the public.

Critics of the 1988 closure process felt the closure list unfairly targeted facilities located in Congressional districts represented by Members out of favor with the Administration and that the absence of outside oversight allowed subjective biases or pre-ordained conclusions of the individual decision makers to find their way into the final recommendations. It was feared that without a clear and auditable analytical and decision-making process, favorable or unfavorable impressions of an installation could come from decision makers' personal experiences rather than quantifiable or objective military value.

Many of the 1988 Commission's experiences—both positive and negative—were incorporated and applied into lessons learned during future BRAC rounds.

## CHANGING WORLD SITUATION

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Public Law 100-526 established a onetime only Commission whose authority expired on December 31, 1988. With the end of the Cold War, proposals to close or realign bases were once again governed by the procedures mandated by Section 2687 of Title 10, United States Code—procedures that had *de facto* prevented base closures for over a decade.

In January, 1990, Secretary of Defense Richard Cheney unilaterally proposed closing 35 bases and realigning or reducing the forces at more than 20 others. Congress responded by passing the Defense Base Closure and Realignment Act of 1990 (Title XXIX of Public Law 101-510) which effectively halted all closures based on the Secretary's January, 1990 list and established a new series of procedures for closing or realigning bases.

### P.L. 101-510: THE DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION

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P.L. 101-510 created an independent, five-year Defense Base Closure and Realignment Commission (still colloquially referred to as the “BRAC Commission”), with closure rounds in 1991, 1993, and 1995. The act outlined procedures, roles, and time lines for the President, Congress, Department of Defense (DoD), Government Accountability Office (GAO), and the BRAC Commission.

The 1990 legislation required that all bases be considered equally without regard to whether the installation had been previously considered or proposed for realignment or closure. DoD's recommendations had to be consistent with the current force-structure plan and congressionally approved selection criteria. For each of the next three BRAC rounds, the services (i.e., military departments) and DoD agencies submitted their candidates for closure and realignment to the Secretary of Defense and, after reviewing service candidates, the Secretary submitted his recommendations to the BRAC Commission for its independent review.

The 1991, 1993 and 1995 BRAC Commissions had four months to scrutinize and analyze the Secretary's recommendations. In addition, the Commission could add, delete, or modify the Secretary's list. The Commission submitted its report with recommendations to the President who had 15 days to either accept or reject the Commission's recommendations in their entirety; if he rejected them, the Commission could give the President a revised list of recommendations. If the President accepted the Commission's recommendations, he forwarded the list to the Congress, which could either do nothing and accept the list, or reject it in full by passing a joint resolution of disapproval. Such a resolution would be subject to Presidential veto. Unless rejected, the BRAC Commission's recommendations effectively became law.

The BRAC Commission was created “to provide a fair process that will result in the timely closure and realignment of military installations inside the United States.” Public Law 101-510 required each Commission to conduct public hearings on the Secretary of Defense's list of closures and realignments and on any proposed changes to those recommendations. In addition, its records were made open to public scrutiny.

Procedurally, the P.L. 101-510 BRAC Commissions differed substantially from the 1988 DoD Commission. The 1988 Commission, working for the Secretary of Defense, generated an internal list of recommended closures and realignments. The 1991, 1993, and 1995 BRACs independently reviewed and analyzed DoD's recommendations and submitted its findings and recommendations directly to the President. The President could end the process at multiple stages (although he could not pick and choose among individual recommendations) if he believed the process was in danger of producing a poor outcome. To ensure an independent assessment, P.L. 101-510 required the Government Accountability Office (GAO) to provide the Commission a detailed analysis of DoD's recommendations and selection process, and to assist the Commission in its analysis of the Secretary's recommendations.

The process under which the 1991, 1993, and 1995 BRAC Commissions operated was open, largely transparent, and heavily insulated from partisan politics. The Commission met only during the non-election years of 1991, 1993, and 1995. All meetings and hearings were open to the public. The BRAC Commission provided numerous opportunities to interested parties, as well as community and Congressional leaders to provide testimony and express their viewpoints. Transcripts of hearings, correspondence, and other data received by the Commission were available for public review. For all BRAC Commissions conducted after November 30, 1993, public testimony presented before the Commission was under oath.

Major sites proposed for closure during the 1991 thru 1995 timeframe were visited by at least one commissioner, in order to gain a firsthand look at the installations and their mission capabilities.

## THE 1991 COMMISSION

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The 1991 Commission held 47 base visits, 14 regional hearings, and 9 investigative hearings in Washington, D.C. The Commission recommended the closure of 34 bases and the realignment of 48 others. These actions generated an estimated FY 1992–1997 net savings of \$2.3 billion and recurring savings of \$1.5 billion annually after a one-time cost of \$4.1 billion. This represented a reduction of approximately 5.4 percent of the domestic base structure.

The President accepted all of the Commission’s recommendations. The House rejected a resolution of disapproval and the recommendations of the 1991 Commission have the force of law. Initiation of the 1991 closures and recommendations was required by July 1993, with completion by July 1997.

## THE 1993 COMMISSION

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The 1993 Commission held 125 base visits, 17 regional hearings, and 16 investigative hearings in Washington, D.C. Its report to the President recommended the closure of 130 bases and the realignment of 45 others, approximately 6.2 percent of the domestic base structure. Estimated FY 1994–1999 net savings were approximately \$3.8 billion after one-time costs of approximately \$7.43 billion. The savings from these actions are estimated to total approximately \$2.33 billion annually. The President accepted all of the Commission’s recommendations and the Senate rejected a resolution of disapproval. Initiation of the 1993 recommendations was required by July, 1995 with completion by July, 1999.

## THE 1995 COMMISSION

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The third BRAC Commission to operate under P.L. 101-510 analyzed DoD recommendations affecting 146 domestic military installations, including 33 major closures, 26 major realignments, and an additional 27 changes to prior base closure round decisions, or “redirects.” The Commission subsequently considered an additional 32 installations as possible alternatives and additions to the bases recommended for closure or realignment by DoD.

The statute required the Secretary of Defense to base all recommendations on a force-structure plan submitted to Congress with the Department’s FY 1996 budget request and on selection criteria developed by the Secretary of Defense and approved by Congress. The 1995 selection criteria were identical to those used in 1991 and 1993.

The Commission held 13 investigative hearings, conducted 206 fact-finding visits to 167 military installations and activities, held 16 regional hearings nationwide, listened to hundreds of Members of Congress, and received thousands of letters from concerned citizens from across the country. At least one commissioner visited every major site proposed for closure or realignment. All meetings were open to the public. All data received by the Commission, including testimony under oath, as well as all transcripts of Commission hearings, were available for public review.

As required by law, The Government Accountability Office (GAO) evaluated DoD’s selection process and recommendations, and provided their detailed analysis to both the Commission and the Congress.

After thorough review and analysis, the Commission recommended the closure or realignment of a grand total of 132 military installations in the United States, including 123 of DoD’s 146 closure or realignment recommendations (an average Commission acceptance rate of 84.2%). Nine of the 36 installations considered at the Commission’s initiative were ultimately adopted and approved (an average “add” acceptance rate of 25%).

The Commission estimated at the time these closures and realignments would require one-time, upfront costs of \$3.6 billion, and would result in annual savings of \$1.6 billion. Twenty-year savings were estimated at approximately \$19.3 billion. 1995 was the first time that BRAC Commission recommendations proposed savings greater than those originally proposed by the Secretary of Defense.

The President transmitted the recommendations to Congress, where the House of Representatives rejected a resolution of disapproval and the Commission’s recommendations effectively became law. However, two of the recommended closures, the Kelly, TX and McClellan, CA Air Logistics Centers, were implemented as “privatizations-in-place” rather than closures, with contractors assuming the facilities’ workload.

## TALLYING UP THE 1988, 1991, 1993, AND 1995 BRAC ROUNDS

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According to the Congressional Research Service (CRS) BRACs made the following recommendations:

- 1988 BRAC: 145 recommendations
- 1991 BRAC: 82 recommendations
- 1993 BRAC: 175 recommendations
- 1995 BRAC: 132 recommendations
- = 534 individual recommendations

However, the 1995 BRAC commission report stated that the cumulative number of BRAC decisions from all four rounds totaled 505. In December 1998, the Government Accountability Office (GAO) reported that the four BRAC commissions generated 499 recommendations, but that in its final tally “only 451 of these ultimately required action, primarily because 48 were changed in some manner by recommendations of a later commission.”

The Department of Defense has estimated that the four previous BRAC rounds eliminated approximately 21 percent of DoD’s 1988 installation capacity. These changes required an up-front investment of \$22 billion, and through fiscal year 2001, produced net savings of approximately \$17.7 billion, including the cost of environmental cleanup. Recurring savings and cost avoidances beyond 2001 are approximately \$7.3 billion annually.

A total of 97 bases and installations categorized by DoD as “major” were closed as a result of the 1988 through 1995 processes. In addition, DoD has stated there were 55 “major” realignments and at least 235 smaller sized closures and realignments as a result of past actions. According to the Congressional Research Service, closure activities at all 451 major and minor facilities impacted by prior BRAC recommendations were completed by the end of FY 2001, as scheduled.

In independent studies conducted over the last decade, both the Government Accountability Office and the Congressional Budget Office have consistently concluded that realigning and closing unneeded military installations produced savings that exceeded their costs. However, GAO has also noted that tracking auditable savings from BRAC is extremely difficult because DoD’s accounting systems are not structured to capture this kind of data. Moreover, most of the “savings” take the form of cost avoidances—i.e., costs that would have been paid by DoD had BRAC not occurred, and were therefore avoided. Since the future is inherently unknowable, cost avoidances are much difficult to calculate in precise terms than cost savings.

GAO also produced slightly lower estimates of cost savings and avoidances from prior-BRAC rounds. Its reports and research led to the conclusion of net cumulative BRAC savings of \$16.7 billion through the end of FY 2001, and annual savings of \$6.6 billion.

## STATUTORY EXPIRATION

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From 1997 to 2000, the House of Representatives repeatedly rejected Administration requests to conduct two additional rounds of base closures in 2001 and 2005. In 1998, the Senate Armed Services Committee rejected an amendment to allow a single round of base closures. Congress allowed statutory authority for BRAC to expire and did not renew it until after the paradigm-shifting September 11, 2001, terrorist attacks. As a result, the BRAC Commission’s permanent caretaker staff and other institutional infrastructure disbanded after December 1995. The 2005 BRAC Commission would begin its work from scratch without any semblance of an ongoing operation.