

DefenseNews

DoD didn't request base closure funds, but it needs to cut infrastructure costs, says Reed

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The Senate Armed Services Committee's top Democrat, Jack Reed, said Thursday the Pentagon must find ways to economize even though it did not ask for a new round of base closures in its \$686 billion budget request for fiscal 2019.

"You can't operate at this level and not find savings, and it's their responsibility to come up with some savings," Reed, of Rhode Island, told reporters. "I'd seriously look at a BRAC, if they propose it," using an acronym for the base realignment and closure process.

If there are facilities the Pentagon can consolidate, outside of a BRAC round, it should do so, said Reed. He and SASC Chairman John McCain, R-Ariz., unsuccessfully sought approval for a BRAC in the annual defense policy bill last year.

Lawmakers typically have expressed concern about the local economic fallout of base closures, and arguments against a new BRAC have used the 2005 round's upfront costs. Sen Jim Inhofe, the SASC's No. 2 Republican and Readiness Subcommittee chair, opposed a Trump administration request in 2017.

Reed said base closures are still worth a conversation in Congress, even in an election year. But he added that talks would be hamstrung because Defense Secretary Jim Mattis did not ask for base closures in his FY19 budget request.

"That complicates the debate because other people who oppose it can say: 'The department didn't ask for it, why are you suggesting it?'" Reed said. "But I do think, and again, Secretary Mattis understands this very well, that as we continue to increase funding, we have to find economies."

Reed's remarks come ahead of a Senate Budget Committee hearing set for March 7 on the Defense Department's ongoing audit and business operations reform at the Pentagon. Lawmakers will question Pentagon Comptroller David Norquist and Chief Management Officer John Gibson.

Senate Budget Committee Chairman Mike Enzi, R-Wyo., recently wrote to Mattis to request specifics on the DoD's ongoing consolidated audit process. Enzi expressed concern after the DoD Office of the Inspector General found numerous problems in the Defense Logistic Agency's financial statements, including almost \$1 billion of inaccuracies.

The House Armed Services Committee's top Democrat, Rep. Adam Smith, and the Cato Institute's Chris Preble published an article this week arguing the concerns driven by the 2005

BRAC are misplaced. The unexpected upfront-cost overruns associated with that BRAC are in part because the DoD used it to build new facilities.

“While savings from base closures alone will not solve all DOD problems, knowingly misallocating resources to maintain unwanted and unneeded bases is irresponsible,” Smith and Preble wrote.

The FY19 defense budget request represented an increase of \$56 billion, or 10 percent, over the proposed FY17 budget. Congress has yet to finalize an FY18 budget.

The department does have a spate of reforms set for FY18, setting up six “reform leaders” to oversee changes to logistics and supply chain, community services, human resources, health care, performance management, and real property.

The Pentagon’s new assistant defense secretary for energy, installations and environment, Lucian Niemeyer, supports a new BRAC for the DoD; but the Pentagon skipped its customary request in the budget request unveiled in February.

Norquist told reporters at the budget rollout that the plan is to first find common ground with members of Congress on DoD reforms and further review excess facilities.

In October, Mattis told Congress a new BRAC could close about 22 percent excess capacity for an annual savings of \$2 billion or more by 2027.