

Base closings 'hot potato' issue again as Pentagon insists new round could save tens of billions

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An effort by the Trump administration to get a new round of military base closures faces an uphill battle after the House rejected it this week.

"This is one the few political third-rail items because lawmakers are essentially voting for a process that would allow bases and installations to potentially in their districts and states to be closed or downsized," said Roman Schweizer, a defense analyst at Cowen.

No doubt, base closings are a politically unpopular idea for members of Congress, with some analysts likening it to a "hot potato" because of the general uneasiness of lawmakers to support something could result in job losses and economic hardship back home.

"We cannot afford for parochial interests to get in the way of what is the best interests of our troops," Rep. Adam Smith, Democrat of Washington, said in comments earlier this week in support of the study of new base closures.

Earlier this year, Senate Armed Services Chairman John McCain, Republican of Arizona, called member hesitation to revisit base closings "cowardice" because he believes it provides money being wasted that could go to more pressing defense needs.

A Pentagon study from 2016 warned there is <u>"significant excess capacity"</u> in the nation's military infrastructure and urged Congress to take action to generate savings. Overall, it estimates there is 22 percent excess basing capacity across the Department of Defense, with the Army and Air Force having the most and the Navy the least, based on projected force levels in 2019.

In its fiscal 2018 budget request, the Trump administration asked Congress to authorize what's known as a Base Realignment and Closure, or BRAC, round, which would formally study the possible closing or realignment of military facilities. In some cases, BRAC process could lead to the expansion of military facilities.

The <u>2018 National Defense Authorization Act</u>, legislation which sets forth the Pentagon's budget and major programs for the next fiscal year, passed the House on Friday morning but contains a provision blocking funding for a new BRAC round. A measure sponsored by California Republican Rep. Tom McClintock to strike the language from the final NDAA failed Thursday.

"When we squander billions of dollars keeping obsolete military bases open in order to satisfy congressional constituencies, we directly rob our military forces of the resources that we're constantly reminded that they desperately need," McClintock said Wednesday on the House floor in arguments in favor of his pro-BRAC legislation.

While the House's version of the NDAA doesn't include funding for a new BRAC round, there's still a chance the Senate might allow it. The full Senate still has to vote on the NDAA, which cleared the Senate Armed Services Committee last month and also would bar funding for reducing bases.

Yet McCain has a draft proposal that would open the door to another BRAC and possible base closures. Rhode Island Democrat Sen. Jack Reed, ranking member of the committee, also signed on to the McCain effort, but it's unclear whether there's broad support in the chamber for another round of base closures.

Pentagon officials have said a new BRAC round, once completed, could capture savings of approximately \$20 billion over 10 years.

"The bottom line is that Congress refusing to allow a BRAC is forcing the military to spend money that it doesn't want to spend and doesn't need to spend," said Christopher Preble, vice president for defense and foreign policy studies at the Cato Institute, a Washington think-tank.

Preble said a new BRAC round wouldn't mean denying the military land it might need in the future, but said it's about "rationalizing what properties they have and what they need."

When including all five of the previous BRAC rounds since the 1980s, there have been annual savings estimated at more than \$12 billion – and nearly \$5 billion alone from the last one in 2005.

Money savings from a new round of BRAC would be enough to buy 22 F-18 Hornet fighter jets or four Virginia-class submarines, according to McClintock. It also could buy another large batch of F-35 stealth fighters.

"BRAC reduces fixed costs they would have with infrastructure," said Frederico Bartels, policy analyst for defense budgeting at the Heritage Foundation, a Washington think tank. "That is the only way at getting at those fixed costs because there are a long of congressional limitations placed on what DoD can do with its physical infrastructure."

Heritage Foundation supports a new round of BRAC to "right-size" the DOD infrastructure, saying it would allow the Pentagon to do "a rigorous and transparent review of its current and future infrastructure needs, including closing bases and facilities as appropriate." Even so, the conservative think tank also believes "some excess infrastructure may be worth keeping, as a hedge against future needs."

Some of the opposition for another round of base closures comes from lawmakers who say the costs of consolidation are too high and that local communities depend on these bases for their livelihood.

Mandy Smithberger, director of the Straus Military Reform Project at the Project on Government Oversight, said the federal government usually helps communities adjust to base closures. She also said a U.S. Government Accountability Office study found that communities closed under the last BRAC round in 2005 actually did better under the Great Recession than average communities across the country.

"There are ways to have soft landings," said Smithberger.

However, there are others who suggest a new round of BRAC should wait until President Donald Trump completes his plans to expand the military, including his stated goal to add more troops.

Also, some congressional critics of the BRAC program maintain that the 2005 consolidation ended up having savings below original expectations.

The 2005 BRAC was advertised originally by the Pentagon of having an implementation cost of about \$21 billion, but that number grew to about \$35.1 billion, largely reflecting cost overruns from construction costs. It impacted 24 facilities nationally and resulted in the relocation of around 125,000 people, including troops, their families and civilian employees.

Even though the last BRAC round did turn out to be perhaps more expensive than expected, proponents of the process say it wasn't entirely a base closure program but was a realignment of large facilities. There also were several projects related to support the F-35 Joint Strike Fighter program, including training and operations support.

Cato's Preble said resistance in Congress to another BRAC comes from a misconception that when a military base closes it always means bad news for local communities and that they can't bounce back.

"There's' a lot of resistance on Capitol Hill, unfortunately. There's a belief that when a base closes it has a devastating impact on the surrounding communities. And my research shows that that's not actually the case."

Added Preble: "In most cases, the surrounding community finds a way to redirect those resources to more productive ends and they end up – sometimes quite quickly – with a much more diverse economic base. They have a stronger workforce, better pay, and are less dependent on a single source."

As an example, he said when Philadelphia's Naval Shipyard closed in the 1990s it was "a grim time and people were pretty pessimistic." But he said the area bounced back and today is "just unbelievable" with a business building commercial ships and private businesses and retail establishments.

He also cited the success following the closure of Naval Air Station Brunswick in Maine, part of the 2005 BRAC round. The facility was turned over to civilian use and attracted new companies and development, adding significant property tax revenue for local communities and new jobs. Likewise, Austin's Bergstrom Air Force Base, located seven miles outside downtown, was closed and later converted to a commercial airport serving the growing community.

"The Austin airport is now a huge, modern airport that Austin was desperate to build for a long, long time," said Preble. "The closure of the Air Force base, in many respects, solved a critical problem for the city."