

ISSUE BRIEF

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New Department of Defense Infrastructure Study Would Delay BRAC Until 2021

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On May 10, 2018, the House Armed Services Committee marked up and voted on its version of the National Defense Authorization Act (NDAA) for fiscal year (FY) 2019.¹ The bill sets the 2019 congressional guidance for the Department of Defense (DOD). However, it contains language that would effectively delay any action on the Pentagon's excess infrastructure until 2021, saddling taxpayers with the cost of the operation of unnecessary defense infrastructure.

Without any discussion, the current version of the NDAA, like its previous seven iterations, prohibits the expenditures of funds on a new round of Base Realignment and Closures (BRAC). In this manner, Congress has been able to not authorize a new round of BRAC since the DOD started requesting one more than seven years ago. With the 2019 NDAA, Congress went a step farther, requiring a third infrastructure capacity study that will assess the adequacy of force structure to the Pentagon's physical infrastructure.² Section 2812 of the legislation contains the parameters for the study.

Section 2812's Required Infrastructure Capacity Study

Section 2812 requires the DOD to develop an infrastructure capacity analysis assessing its ade-

quacy to the force structure described in the FY 2018 NDAA.³ The assessment is due in February 2020, accompanying the President's budget request for FY 2021.

The bill calls for determining a force structure plan for each of the military branches in line with the end strength levels authorized last year.⁴ From there, the department would develop a model of installation capabilities needed to host the planned force structure. Once these two elements are settled, the DOD would then assess the adequacy of the current infrastructure to carry out the requirements of the force structure. This assessment would be required to identify deficits and surpluses in the infrastructure for each military department and "for locations within the continental United States and territories."⁵

The Section 2812 Study Will Generate Obstacles to Sensible Real Property Management

At first glance, the proposed section 2812 study seems like a good and thorough requirement that will enhance Congress' visibility on the Pentagon's real property management posture. Nonetheless, both the intended and unintended consequences of this study will serve as obstacles to the DOD enacting sensible real property management.

A Useless Repetition. In the past two years, the DOD has fulfilled two congressional reporting requirements on its infrastructure capacity. The first, from March 2016, established that the Pentagon has 22 percent of excess infrastructure.⁶ The second, from October 2017, after Congress increased the force structure to be considered, established

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19 percent of excess infrastructure.⁷ A third infrastructure capacity study will likely lead to different numbers, since Congress is once again changing the parameters, but will not change the fact that the Pentagon carries excess infrastructure.

Despite the possible changing numbers, a typical round of BRAC reduces only 5 percent of the department's infrastructure.⁸ Because of the size of the marginal effect, the DOD is unlikely to close or realign more infrastructure than is needed.

The repeating requirement for new infrastructure capacity studies with slightly modified parameters costs both time and resources for the DOD and for the American taxpayer. The previous two studies cost a combined \$468,000.⁹ A third study would likely add at least \$200,000 to the tab, but probably more since the Section 2812 study would require more data than its previous two iterations.

This third study carries a sense of a fishing expedition by opponents of a new round of BRAC. Opponents of BRAC have twice delayed the DOD's request by asking for more data, and they dismissed the results of the studies. Now they are modifying the parameters of the study and spending more resources on a new one.

Irresponsible Data Requests. The most substantial change between the previous two infrastructure capacity studies and the one outlined by Section 2812 is the requirement to detail deficits and surpluses in specific locations within the U.S.¹⁰ It would be unwise to release this type of data to Congress and the public. Any installation that shows excess infrastructure would be considered a possible target for

BRAC actions and it would have immediate economic effects on that base and community.

The area's real estate market would respond in expectation to lowering demands. The individuals working on that base could assume that their base will be closed and start looking for different employment opportunities, regardless of the DOD's need for the mission still executed at the base.

BRAC is a holistic process that assesses the military value of installations and their missions, rather than just their physical capacity. Thus even if an installation has excess capacity it might have military value that might justify bringing additional mission to fill that capacity. Forcing the DOD to identify installations and states that carry excess infrastructure would short-circuit this process.

Closing or realigning a military base has effects in the community. Hence, most of the legislative language that determines a BRAC round addresses economic adjustments for the region and how to dispose of excess property.¹¹ The process's goal is to minimize the impact in the community and set a solid foundation for usage of the disposed property. This requirement would erode this process and settle the communities with possibly destructive impacts of a base closure without the remedies traditionally available with a new round of BRAC.

A Costly Delay. The NDAA requires the study to be delivered to Congress with the President's budget request for FY 2021, thus establishing the deadline in February 2020. If this study is indeed required, opponents of a new BRAC round will continue their opposition and rely on the need to wait for the results

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1. National Defense Authorization Act for Fiscal Year 2019, H.R. 5515, 115th Cong., 2nd Sess.
 2. Infrastructure capacity refers to the quantity and quality of the physical infrastructure in the real estate portfolio. Force structure refers to how the units capable of combat are organized.
 3. National Defense Authorization Act for Fiscal Year 2019, H.R. 5515.
 4. National Defense Authorization Act for Fiscal Year 2018, Public Law 115-91.
 5. National Defense Authorization Act for Fiscal Year 2019, H.R. 5515, § 2812.
 6. U.S. Department of Defense, "Department of Defense Infrastructure Capacity," March 2016, p. 2, <http://defensecommunities.org/wp-content/uploads/2015/01/2016-4-Interim-Capacity-Report-for-Printing.pdf> (accessed May 15, 2018).
 7. U.S. Department of Defense, "Department of Defense Infrastructure Capacity," October 2017, p. 2, https://1yxsm73j7aop3quc9y5ifaw3-wpengine.netdna-ssl.com/wp-content/uploads/2017/10/101717_DoD_BRAC_Analysis.pdf (accessed May 15, 2018).
 8. U.S. Department of Defense, "Department of Defense Infrastructure Capacity," March 2016, p. 2.
 9. See U.S. Department of Defense, "Department of Defense Infrastructure Capacity," March 2016, cover page, and U.S. Department of Defense, "Department of Defense Infrastructure Capacity," October 2017, cover page.
 10. National Defense Authorization Act for Fiscal Year 2019, H.R. 5515, § 2812.
 11. Defense Base Closure and Realignment Act of 1990, Public Law 101-510.
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of the study, effectively punting any decision to the NDAA for FY 2021. In the meantime, the American taxpayer will continue to pay for unneeded infrastructure.

The back of the envelope calculation on the study's costs is simple. The study would cost around \$200,000 and would prevent the estimated savings of \$2 billion for each year that the study delays authorization of a new round.¹² With the study moving the authorization of a new BRAC round from the FY 2019 NDAA to the FY 2021 iteration, the three-year delay results in \$6 billion in non-realized savings and over \$200,000 in direct costs for the study.

The Path Forward

The current BRAC process requires a few changes and reforms. While there is a path forward on how to modernize and improve upon the shortcomings of previous BRAC rounds,¹³ the Section 2812 study is not it. In order to improve the military's real property management, Congress should:

- **Remove Section 2812 from the NDAA.** The section as currently written will serve, at best, as a delay tactic to push a new round of BRAC to 2021, or, at worst, as a major disruptor for defense communities that will have to cope with the effects of a BRAC without the shielding provided by a formal BRAC process. The Section 2812 study does not benefit the DOD, the defense communities, or the American taxpayer.
- **Reform BRAC.** The legislation that determines the BRAC process should be modified to require reduction targets, have a permanent BRAC staff, and establish broader standing authorities.¹⁴

- **Authorize a new round of BRAC.** Without the holistic perspective and the possibility of action provided by a new round of BRAC, these infrastructure studies have little consequence and serve more to fuel political debates than to actually inform decisions on real property at the DOD. Authorizing a new round would give the DOD and the defense communities a substantial level of certainty and predictability.

Conclusion

Regardless of the intentions of the writers of Section 2812, the range of possible outcomes for the required study go from bad to worst. The study will undoubtedly confirm that the DOD carries excess infrastructure. Further, if it actually names locations and installations that currently have excess capacity, it will have negative impacts on the lives of the people that work at the installation and those that live close to the installation, without the holistic approach of a BRAC round.

The U.S. and the military would be better served if Congress were to authorize a new round of BRAC instead of punting on the decision via yet another infrastructure capacity study. Left unfixed, the Section 2812 study will put the bill once again in the hands of American taxpayers.

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12. James Mattis, "Written State for the Record," testimony before the Committee on Armed Services, U.S. House of Representatives, June 12, 2017, <http://docs.house.gov/meetings/AS/AS00/20170612/106090/HHRG-115-AS00-Bio-MattisJ-20170612.pdf> (accessed May 15, 2018).

13. Frederico Bartels, "Guidelines for a Better—and Necessary—Round of BRAC," Heritage Foundation *Backgrounder* No. 3257, October 19, 2017, <https://www.heritage.org/defense/report/guidelines-better-and-necessary-round-brac>.

14. *Ibid.*