



# **Military Base Closures and Realignment: Status of the 2005 Implementation Plan**

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May 31, 2007

**Congressional Research Service**

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[www.crs.gov](http://www.crs.gov)

RL33766

## Summary

As part of the implementation for the 2005 Base Realignment and Closure (BRAC) round, the Department of Defense (DOD) required the military departments and defense agencies to create action plans for each of the BRAC Commission's recommendations. These plans, called "Business Plans", describe the implementing actions, their timing, cost, and other related issues. DOD is to use these plans as a mechanism to ensure proper coordination among the defense agencies, allocate BRAC resources more efficiently, and to monitor the status of the commission's recommendations. To date, 219 of the 237 required plans have been completed and approved. This report answers frequently asked questions regarding the plans. It will be updated as necessary.

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## Introduction

Recommendations in the final report of the 2005 Defense Base Closure and Realignment Commission (hereafter referred to as the BRAC Commission or commission) became binding on November 9, 2005.<sup>1</sup> In September and October 2005, Mr. Michael Wynne, then Principal Deputy Under Secretary of Defense for Acquisition, Technology, and Logistics, issued instructions to the military departments and defense agencies<sup>2</sup> in DOD to create a Business Plan for each of the recommendations drafted by the commission and approved by the President. Following is a series of frequently asked questions concerning these Business Plans.

## Frequently Asked Questions

### What is a Business Plan's objective?

A Business Plan specifies all actions necessary to comply with all or part of a particular commission recommendation, including timing, estimated cost, military construction, and environmental remediation, among others.

The 2005 BRAC round was the fifth since 1988. However, because this round is occurring concurrently with DOD "transformation" efforts as well as the redeployment of forces from overseas installations, it is the most complex of all rounds to execute. Secretary Wynne devised the Business Plan approach as a management tool serving two main functions: to ensure that military departments and defense agencies adequately plan and coordinate implementation, and to assist DOD in allocating resources and prioritizing tasks to meet the statutory deadline.<sup>3</sup>

A Business Plan is not intended to provide an all inclusive description of activity but only the level of detail needed by administrators to ensure coordination and to allocate BRAC funds effectively. The plan describes necessary steps that must be taken to carry out the commission's recommendations and the estimated time-frames and costs associated with those steps. Detailed planning is not included but can be found in associated documentation referenced in the plans. Also, some details concerning to the planning, particularly with regard to personnel, are deliberately excluded in order to avoid providing potentially useful information to adversaries.

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<sup>1</sup> For more information see CRS Report RS22291, *Military Base Closures: Highlights of the 2005 BRAC Commission Report and Its Additional Proposed Legislation*, by (name redacted) and (name redacted).

<sup>2</sup> "Military departments" is the term used by DOD to refer collectively to the Department of the Army, the Department of the Navy (includes the Marine Corps), and the Department of the Air Force. "Defense agencies" refers to 16 organizations that fall under the DOD but are not a uniformed service. Defense agencies include the Defense Finance and Accounting Service, the Defense Logistics Agency, and the Missile Defense Agency. For a complete listing of defense agencies, see the U.S. Government website at <http://www.firstgov.gov/Agencies/Federal/Executive/Defense.shtml>.

<sup>3</sup> Under existing law, BRAC actions must be completed no later than six years after the date on which the President transmitted the Commission's report, or September 15, 2011.

## **What information is included in a Business Plan?**

Secretary Wynne issued his guidelines for Business Plan preparation in two memoranda. The first, dated September 21, 2005, provided a basic outline of major headings and general guidance regarding the information to be included. The second, dated October 12, 2005, described the necessary data in greater detail.<sup>4</sup>

Each plan should contain:

- The relevant recommendation from the commission's final report.
- A description of the steps needed to satisfy the recommendation.
- A list of the DOD organizations, including military units, that will have to be moved in order to fulfill the requirements of the commission's recommendation.
- A time-table for the movement of organizations listed above. Where applicable, this will also include a schedule for installation closure.
- A description of the estimated costs and savings associated with moving each organization.
- Details concerning military construction necessary as a result of BRAC actions.
- All required environmental studies at both the losing and gaining bases and the estimated costs for them.
- Identification of land and permanent structures (real property) that will need to be sold, destroyed, or otherwise disposed of.
- A list of all DOD agencies affected by the plan along with assurances that those agencies have participated in the plan's development and concur with its content.

## **Why is it called a "Business" Plan?**

Secretary Wynne selected the term "Business Plan" based on the premise that the plans present the "business case" for the implementation of each recommendation. They outline financial estimates of costs and savings as well as describe movement plans throughout the BRAC implementation process.

Furthermore, use of the term "business" is consistent with terminology currently employed within DOD. Soon after taking over as Secretary of Defense, Donald Rumsfeld announced his intention to steer the department towards more cost effective operations by adopting commercial business models. A June 18, 2001, DOD press release announced the creation of the Senior Executive Committee to function as a "business board of directors for the Department" and the Business Initiative Council, created to "recommend good business practices and implement cost savings that could offset the funding requirements for personnel programs, infrastructure recapitalization,

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<sup>4</sup> Copies of the memos can be obtained by contacting Mr. Daniel Else. Mr. Else can be reached at #redacted# or #redacted#@crs.loc.gov.

equipment modernization and transformation initiatives.”<sup>5</sup> Secretary Wynne adopted the practices of private enterprise to create these Business Plans.

## **Who developed the plans?**

Secretary Wynne assigned each BRAC Commission recommendation, in whole or in part, to a military department or defense agency. Generally the entity that has the largest number of resources tied to the action is responsible for preparing and executing the corresponding Business Plan.

When more than one service or defense agency is involved in a realignment, DOD gave consideration to the location receiving resources as a result of the recommendation. DOD reasoned that the receiving agency could best decide how to align additional personnel and facilities with their existing infrastructure. As an example, in commission recommendation #131, which calls for the co-location of military criminal investigative agencies with the Counter Intelligence Field Agency and the Defense Security Service at the United States Marine Corps Base, Quantico, Virginia, responsibility for developing the Business Plan was assigned to the Department of the Navy.

## **Who will have access to the plans?**

Because they were intended to be internal resource allocation documents, these Business Plans were not intended to circulate outside DOD. Nevertheless, once the DOD FY2008 budget proposal is submitted to Congress, much of the information contained in the plans, if not the plans themselves, will likely become publicly accessible. This is because the plans will form the basis for DOD’s allocation of BRAC funding and estimated budgets; thus supporting data from the plans will likely be included in the military department and defense agency Budget Justification Documents, or “J-Books.” J-Books are usually provided annually to Congress to explain how the military departments and defense agencies plan to use requested funds.

## **Why are Business Plans required for BRAC 2005 and not for previous BRAC rounds?**

BRAC 2005 differed from previous BRAC rounds in a number of ways. Unique to 2005 was the number and complexity of the recommendations. In their final report, the commission noted, “the 2005 BRAC recommendations exceeded the number considered by all prior BRAC Commissions combined. In addition to the unprecedented number, many DoD recommendations were extremely complex, proposing intertwining movements between and among numerous installations.”<sup>6</sup>

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<sup>5</sup> See Department of Defense’s website at <http://www.defenselink.mil/Releases/Release.aspx?ReleaseID=2949>.

<sup>6</sup> BRAC Commission report, Executive Summary, pg. iii. Of the 190 closures and realignments recommended by the DoD, the commission approved 119 with no changes and accepted 45 with amendments. See CRS Report RS22291, *Military Base Closures: Highlights of the 2005 BRAC Commission Report and Its Additional Proposed Legislation*, by (name redacted) and (name redacted).

The planning and execution of the 1991, 1993, and 1995 BRAC rounds centered on the Departments of the Army, Navy, and Air Force, each of which crafted its own list of recommendations. DOD consolidated, coordinated, and forwarded these lists to the President for approval. The military departments were then responsible for implementing the approved recommendations within the six years required by law. However, the very high level of complexity of the 2005 process led DOD's senior leadership to institute centralized control of the planning and resource allocation process while at the same time preserving a decentralized implementation policy for the military departments and defense agencies.

Furthermore, DOD believed the coordination required by a Business Plan's development process would provide an added benefit. Coordination was intended to produce an efficient plan but also to create conditions in which potentially problematic issues could be identified and resolved prior to implementation. This was of particular importance where commission recommendations resulted in new methods of operation such as with "Joint Basing."<sup>7</sup>

### **What time period does the Business Plan cover?**

Business Plans are intended to cover current planning through FY2011, when the law mandates implementation must be complete. Action affecting a location after FY2011, such as its post-closure use by the local community, is not covered in the plans.

### **Will the Business Plans be updated?**

DOD will require updates to each of the Business Plans biannually—in the fall, to examine the next year's budget request and in the spring, to assess current budget execution. DOD considers these plans "living documents" that are likely to change as operational priorities and resource availability shift or any number of other variables and circumstances change. For example, a survey of a planned renovation of an existing facility may reveal that new construction would be more cost effective.

### **How are the Business Plans prepared?**

The head of each military department or defense agency assigned responsibility for the preparation of each Business Plan to a subordinate organization. For example, the Secretary of the Air Force assigned the plan for the realignment of McGuire Air Force Base to Air Mobility Command, which is responsible for that installation. Air Mobility Command is empowered to coordinate details of the plan with the other services affected by that particular BRAC recommendation. After the plan's formulation, the Secretary of the Air Force or his delegate reviews and approves it. The plan is then submitted to the Installation Capability Council (ICC) at DOD for review and approval.

The Deputy Under Secretary of Defense for Installations and Environment (DUSD (I&E)), currently Mr. Philip W. Grone, chairs the ICC, which consists of senior executives and military officers drawn from the Office of the Secretary of Defense, the military departments, and the

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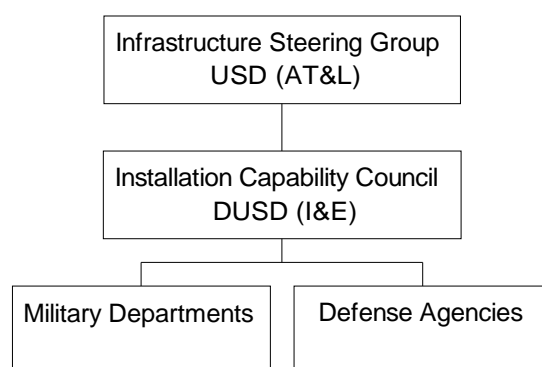
<sup>7</sup> For an explanation of "Joint Base," see "What is the current status of the plans?," p. 5.

Joint Staff.<sup>8</sup> After approving each Business Plan, the ICC forwards it to the department's higher-echelon Infrastructure Steering Group (ISG) for further review.<sup>9</sup> The ISG chair, the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD (AT&L)), has the final approving authority.

Before this approval is granted, each Business Plan is reviewed by the ISG Executive Secretariat, the DOD Base Realignment and Closure Office. This review includes a legal assessment of whether the Business Plan meets the BRAC Commission's intent for the recommendation.

Once approved, the military departments and defense agencies put the Business Plans into action. **Figure 1** illustrates the review structure:

**Figure 1. Business Plan Review Structure**



## What is the current status of the plans?

To date, 219 of the 237<sup>10</sup> required plans have been approved. Three of the 18 unapproved plans were reviewed by the DOD BRAC Office and sent back for further analysis. Examples of further analysis includes ensuring the plans address DOD's legal obligations and further assessment of implementation alternatives. The remaining 15 unapproved plans still require action.

Of the 15 unapproved plans, 12 are for "joint bases." Joint bases involve locations where installations of two or more services are either adjoining or within close proximity and the BRAC Commission has recommended that the installations' support functions be combined and operated

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<sup>8</sup> The Joint Staff is the military organization in the Pentagon that directly supports the Chairman and the other members of the Joint Chiefs of Staff.

<sup>9</sup> The Infrastructure Steering Group is chaired by the USD (AT&L), and is composed of the Vice Chairman of the Joint chiefs of Staff, the military department assistant secretaries for installations and environment, the service vice chiefs, and the DUSD (I&E). Since the September 21 and October 12, 2005, memoranda, the DOD Comptroller and the Director, Program Analysis and Evaluation have also been added as members.

<sup>10</sup> The initial number of required business plans was 240 however, the DOD BRAC Office determined that three of those were not necessary. Two of the three were for Naval Air Station Oceana, Virginia Beach, Virginia, and Naval Broadway Complex, San Diego, California. Those two installations met certain conditions set by the BRAC Commission are therefore no longer slated for closure. The third plan no longer required was for a recommendation requiring the establishment of an oversight board for the Naval Post Graduate School, Monterey, California, and the Air Force Institute of Technology, Wright-Patterson Air Force Base, Ohio. The DOD BRAC Office determined that a detailed plan was not necessary for a recommendation so narrowly defined and limited in scope.



by a single service. DOD is currently developing Joint Base Implementation Guidance to provide the military departments and defense agencies direction regarding how the combined bases will be established and operated. Once this guidance is issued by the Deputy Secretary of Defense, the 12 plans will be completed and submitted for review and approval.

The remaining three of the 15 unapproved plans involve Army-run chemical munitions depots where closure requires compliance with international treaty obligations.<sup>11</sup> Affected locations are Newport Chemical Depot, Indiana; Umatilla Chemical Depot, Oregon; and Deseret Chemical Depot, Utah. It is possible that the required destruction of chemical weapons stockpiles at these depots may not occur within the six-year statutory period for completion of BRAC actions.

Questions regarding this report should be directed to Mr. Daniel Else at #redacted# or #redacted#@crs.loc.gov.

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<sup>11</sup> The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and Their Destruction, commonly known as the Chemical Weapons Convention, prohibits the development, production, stockpiling, and use of chemical weapons.

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