

Testimony for the
House and Senate Veterans Affairs & Emergency Preparedness Committees
Joint Informational Meeting
Wednesday, March 9, 2016

Good morning Chairman Barrar, Chairman Sainato, Chairman Vulakovich, Chairman Costa and Members of both Committees.

My name is Frank Sullivan. I serve as the Executive Director of the Pennsylvania Military Community Enhancement Commission. Thank you for the opportunity to be here today.

Pennsylvania has undergone five Base Realignment and Closure rounds at a total cost of 18,900 full-time jobs including the closures of Philadelphia Naval Shipyard and Hospital, Warminster Air Warfare Center, Willow Grove, the 99th Regional Readiness Command, the Kelly Support Barracks (Oakdale) and swaths of Letterkenny Army Depot. Proportionally, Pennsylvania has lost more jobs than every state with the exception of California.

Following the losses of the 1995 BRAC, Governor Ridge created the first state effort to resist BRAC losses. This effort was sustained under Governor Schweiker, reorganized and successfully implemented for the 2005 BRAC by Governor Rendell and recreated by Governor Corbett. Late last session, Act No. 161 (House Bill 1550) passed unanimously to codify this effort in its current form, the Pennsylvania Military Community Enhancement Commission.

The mission of the PMCEC is to assist the Governor in the enhancement of the military value of and advocacy for all installations, organizations, and defense related stakeholders in the commonwealth. The commission consists of Lieutenant Governor Mike Stack, serving as Commission Chairman, two senators, two representatives, a senior military

commissioner, a commissioner focused on economic development, and one commissioner for each of the ten major military installations and organizations in the state.

The four legislative commissioners, currently Senators Alloway and Blake and Representatives Miccarelli and Readshaw also serve as the co-chairs of the Military Installation and Base Development Caucus. The MIBDC plays a crucial role in advancing this effort in the legislature and engaging with these installations and organizations within the members' districts.

The volunteers who serve as our military commissioners are an extraordinarily qualified and experienced group. Most are senior level retired military, some served at the installation they currently represent and all have significant time invested into this cause. The credibility they bring to this initiative is a crucial element to our success.

It has been our experience that the local community surrounding each installation is crucial to the enhancement and success of that installation. Three of our ten installations are the largest employer in their host counties. The economic impact is immense and the motivation to help is powerful. The commission works hand in hand with organizations called local defense groups, formed specifically around this cause and composed of county and local officials, installation staff, academia, the local business community and military personnel and retirees. Each commissioner works closely with their respective local defense group and all operate with the trust and cooperation of the command group at their installation.

Local defense groups provide on the ground implementation of the commission's strategy and action plan. A significant portion of the commission's budget is devoted to financially supporting their efforts. In the past, grant funds have been used to address a major encroachment concern, fund physical development to installations to expand mission capability, to coordinate public-private partnerships, work with the Pennsylvania Department of Environmental Protection on environmental issues, and with PP&L to address a force protection issue.

For your reference, we have an attachment that shows what we are spending on our military base defense compared to our neighboring states and some leading military states.

The Department of Defense faces strenuous budgetary challenges. Personnel and pension costs, rising energy costs, procurement, and the unpredictable tempo of military action have created an erratic and challenging budgetary environment. Coupled with congressional action through the Budget Control Act and sequestration, the DoD is aggressively seeking cost-savings. The strategic needs of the military limit the extent to which cost savings can be found in personnel, focusing attention on facilities.

The Department of Defense continues to request a new BRAC round. Federal Fiscal Year 2019 seems to be the best chance for that to occur. With each denied BRAC request, the DoD grows increasingly desperate for cuts. There is no question as to whether there will be another BRAC, the question is when.

With or without the authorization for a BRAC, the services do possess the power to move equipment, gradually reduce manpower and eventually, functionally close an installation. The 911th in Pittsburgh has faced several of these types of non-BRAC actions and are a prime example of the need for constant attention to these issues, with or without a scheduled BRAC. On February 9, 2016, it was announced that the DoD has decided to place C-17s in Pittsburgh with the 911th Air Wing. This was a long-fought huge cooperative effort at all levels in PA; local, regional, state, and national I want to take this opportunity to thank Chairman Vulakovich for his leadership and support in this effort.

There are two key methods to resisting closure: first, to pre-emptively address vulnerabilities that might negatively impact an assessment when the decision is being made as to which installations to close and to assist in growing the military value of the installation through expanded mission capability and public-private partnerships to increase savings and efficiencies. The second is to demonstrate that the data used by DoD in the decision making process is flawed. To this end, we also financially support research

and studies on economic impact; efficiency; joint-land use; and strength, weakness, opportunity and threat analysis.

Nothing about this effort is rapid response. These are long term projects to permanently address long term concerns. We are working to bridge two large and inflexible institutions: state government and the United States military; time is our best asset. The current impact of the defense sector in Pennsylvania totals 213,000 jobs and \$30 billion into the Pennsylvania economy. Given what is at stake and the immense cost of time and money to redevelop a facility, the value of this program is significant. Your support of this effort through this budget cycle, through the Military Installation and Base Development Caucus, and in your districts helps us send a powerful message to the Department of Defense that Pennsylvania is engaged and prepared.

Ladies and gentlemen, this concludes my presentation. I appreciate the opportunity to brief you on the Pennsylvania Military Community Enhancement Commission. I am prepared to answer any questions that you may have.

Attachment

Pennsylvania Military Community Enhancement Commission (PMCEC)

Pennsylvania's Competition:

Each of Pennsylvania's installations has rival installations in other states, each of which, has a comparable organization to PMCEC, and an ongoing effort to enhance / protect their installations (albeit, and without exception, extremely stronger and larger commitments than Pennsylvania fiscally, legislatively (state and federal), and w/r to timeliness before a BRAC).

For Example:

- *The State of Texas has funded these efforts at **\$15 million per year** for two years in preparation for the next BRAC.*
- *The State of Florida has funded its initiative with **\$4 million per year** for the last three years,*
- *The State of Connecticut, with only one installation, has spent over **\$30 million** in support of this effort,*
- *The Commonwealth of Massachusetts recently authorized a **\$170 million bond issue** to support their program, and*
- *The State of New York recently added **\$2 million to support Fort Drum, in addition to the \$2.9 million** already issued in grants to community organizations that support the same effort.*
- *Pennsylvania has provided grant funding of \$135,000 in FY 2014-15 and \$85,000 in FY2015-16.*

*Pennsylvania's ten military installations are "economic engines" in their local communities / regions providing excellent family-sustaining, career-enhancing, and in most cases, highly skilled, jobs. These jobs are irreplaceable, or can only be replaced after long painful transition periods. **That said, in the previous BRAC rounds, Pennsylvania has proportionally lost more military-related jobs, than every state except California!***

*For example: the 1991 BRAC round, closed the Philadelphia Shipyard. It employed nearly 11,000 people. By 2013, the Navy Yard was successfully redeveloped into a dynamic multi-use business campus with 143 companies, employing, once more, 11,000 people. **It took 25 years and over \$300 million in state investment to recoup the loss of employment suffered by Philadelphia at the hands of BRAC.** A strong ongoing investment now can prevent such painful cataclysms.*