



Senate Finance Committee Public Safety Subcommittee

John C. Harvey, Jr.
Secretary of Veterans and Defense Affairs

June 23, 2016
Senate Room B, 1st Floor, GAB

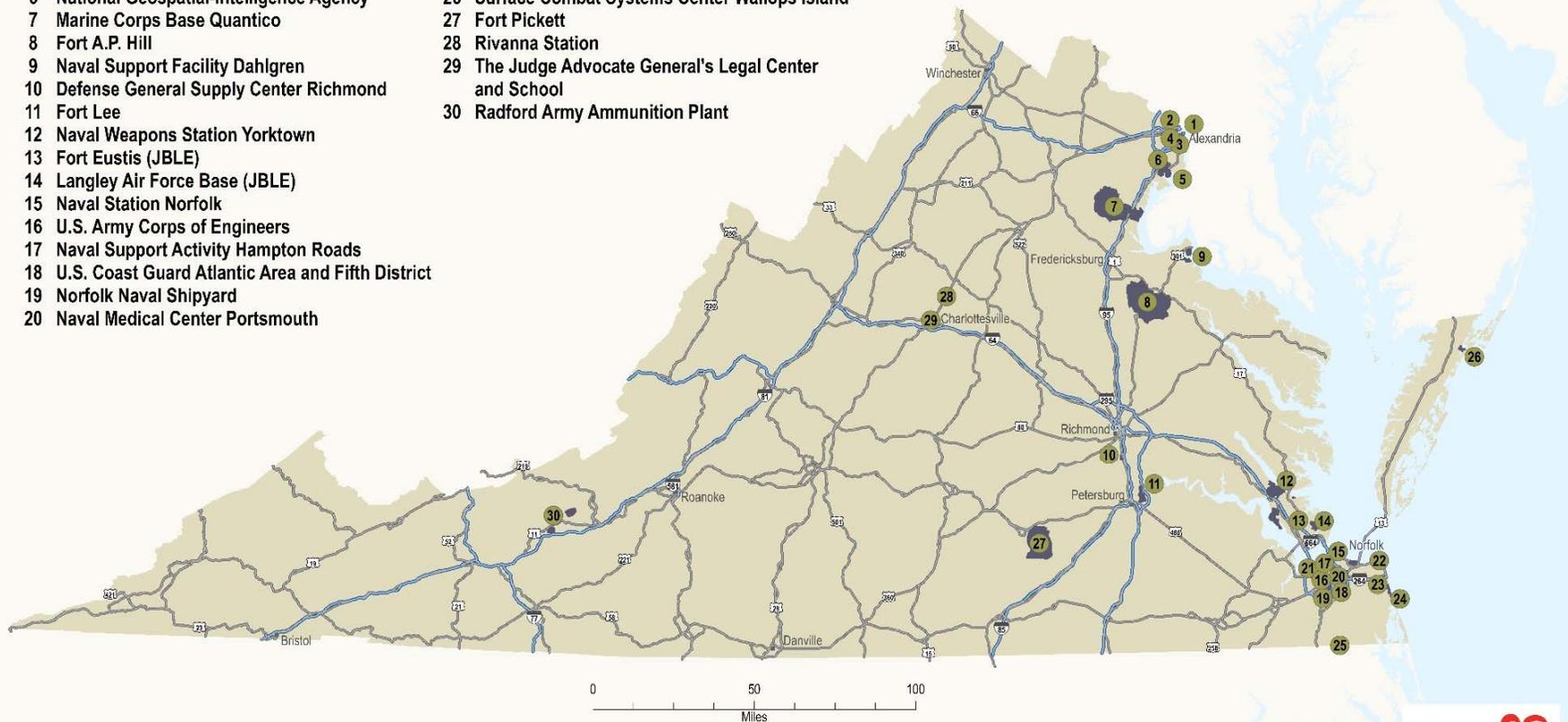


- **Threat:** DoD budgets are in decline. Military services are being pressed to do more with less. The President and Secretary of Defense consider BRAC an important way to reduce costs.
- **Opportunity:** Position the Commonwealth to **grow** the military missions in Virginia – enhance economic development by obtaining a larger share of the shrinking DoD budget.



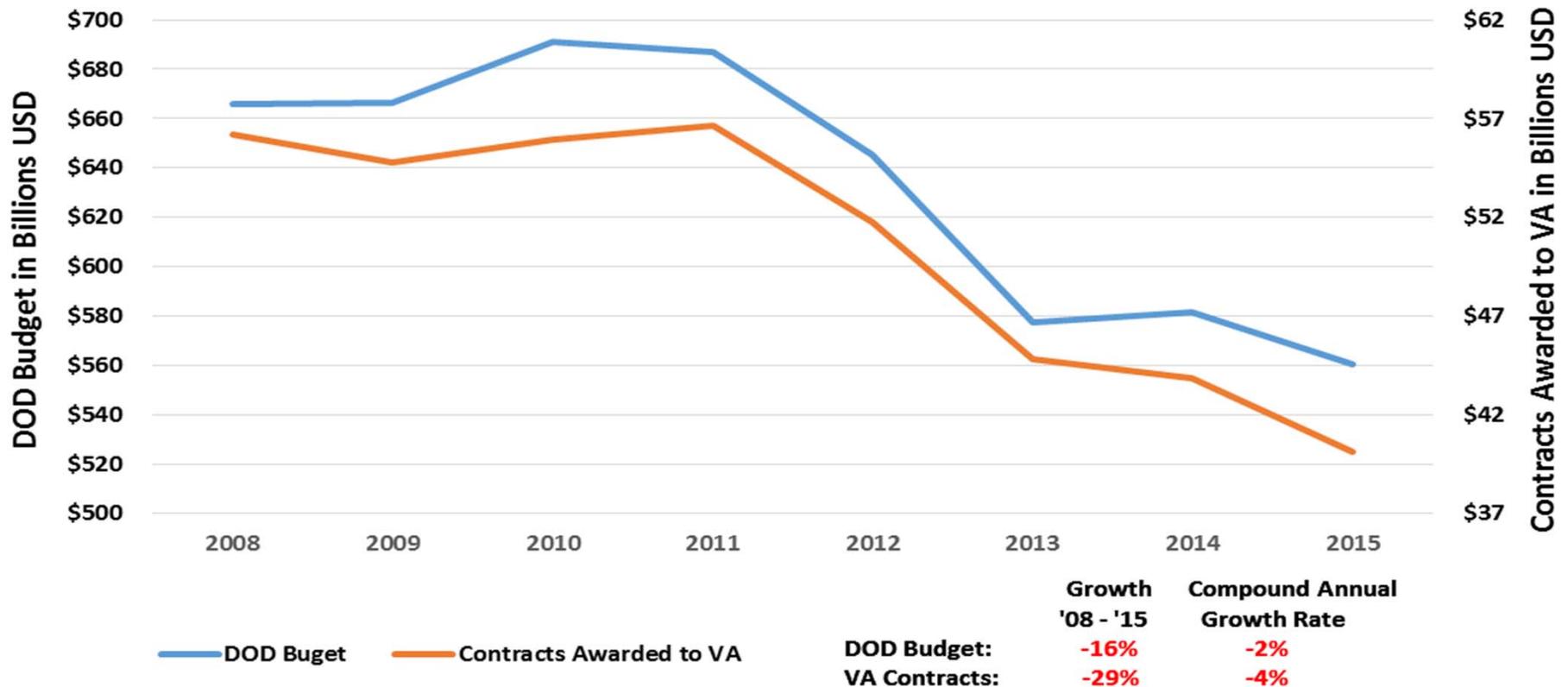
- 1 The Pentagon
- 2 Joint Base Ft. Myer-Henderson Hall
- 3 Army National Guard Readiness Center
- 4 Defense Advanced Research Projects Agency
- 5 Fort Belvoir
- 6 National Geospatial-Intelligence Agency
- 7 Marine Corps Base Quantico
- 8 Fort A.P. Hill
- 9 Naval Support Facility Dahlgren
- 10 Defense General Supply Center Richmond
- 11 Fort Lee
- 12 Naval Weapons Station Yorktown
- 13 Fort Eustis (JBLE)
- 14 Langley Air Force Base (JBLE)
- 15 Naval Station Norfolk
- 16 U.S. Army Corps of Engineers
- 17 Naval Support Activity Hampton Roads
- 18 U.S. Coast Guard Atlantic Area and Fifth District
- 19 Norfolk Naval Shipyard
- 20 Naval Medical Center Portsmouth
- 21 U.S. Coast Guard Base Portsmouth
- 22 Joint Expeditionary Base Little Creek - Fort Story
- 23 Naval Air Station Oceana
- 24 Dam Neck Annex
- 25 NSA Northwest Annex
- 26 Surface Combat Systems Center Wallops Island
- 27 Fort Pickett
- 28 Rivanna Station
- 29 The Judge Advocate General's Legal Center and School
- 30 Radford Army Ammunition Plant

Virginia's Military Installations





DoD Budget and Contracts Awarded to Virginia FY 2008 - 2015





Impacts of DoD Cuts on Virginia

- The Virginia National Guard lost force structure and full time manning, a loss of 158 FTEs – 12.5% of its workforce.
- Cancellation of the F-22 Raptor fighter aircraft left Langley AFB with fewer aircrafts than originally planned.
- Ship repair and maintenance reduced.
- Reduced Real Property and Maintenance funding at installations hurts small businesses.
- FY17 budget proposal – ZERO Navy military construction for Hampton Roads, the first time in almost 15 years.



- 5 rounds in past 30 years
- Closed 350 installations
- 2005 BRAC cost \$35B; average annual savings \$4B

BRAC

**10 USC
Sec 2687**

- DoD has never used, but does have the authority
- Requires Congressional notification

**President's
Budget**

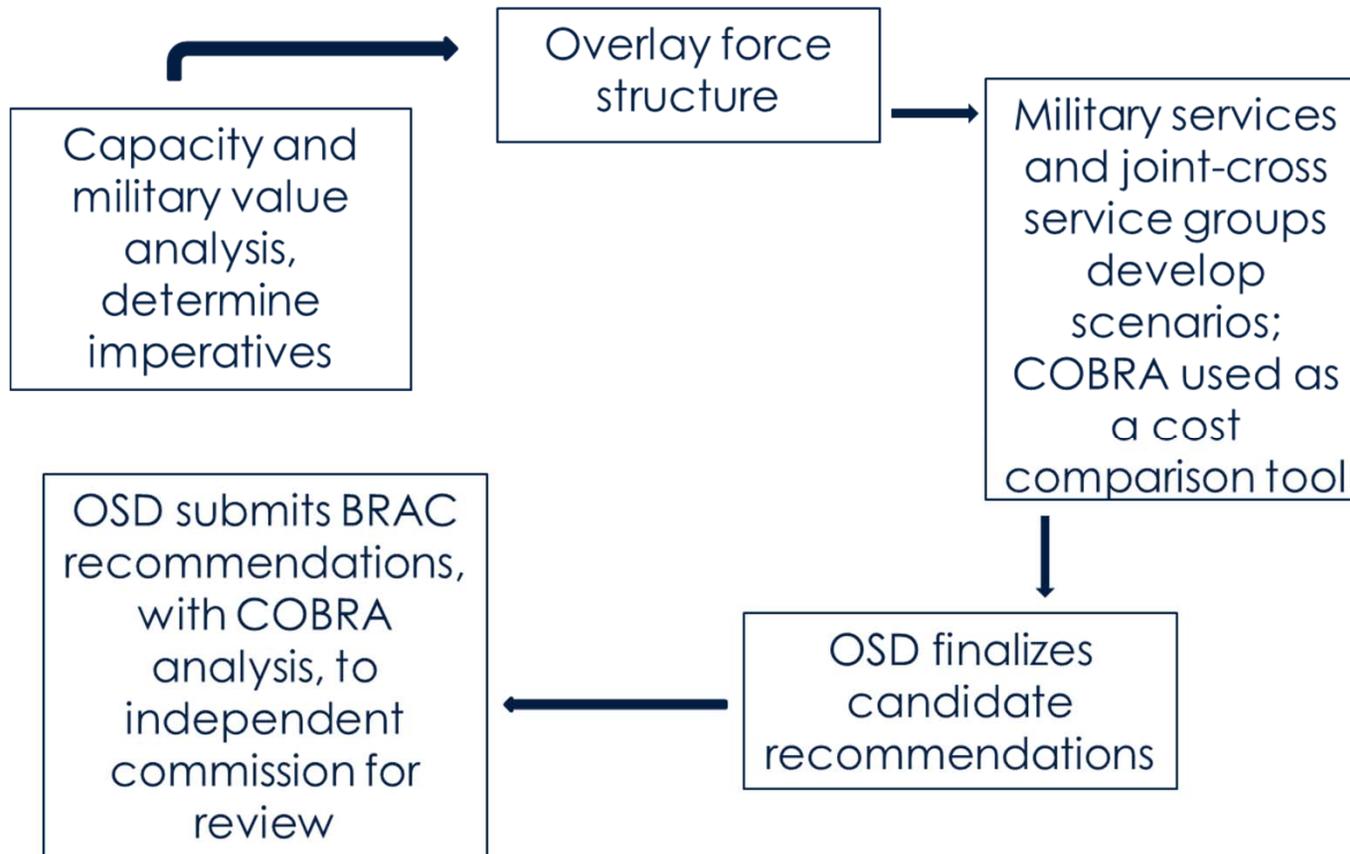
**How does
DoD address
budget
shortfall?**

**Strategic
Basing**

- 2011 disestablishment of JFCOM
- Past 30 years realigned 55 major installations; closed/realigned 234 minor installations



BRAC is only DoD budget process where states can participate.





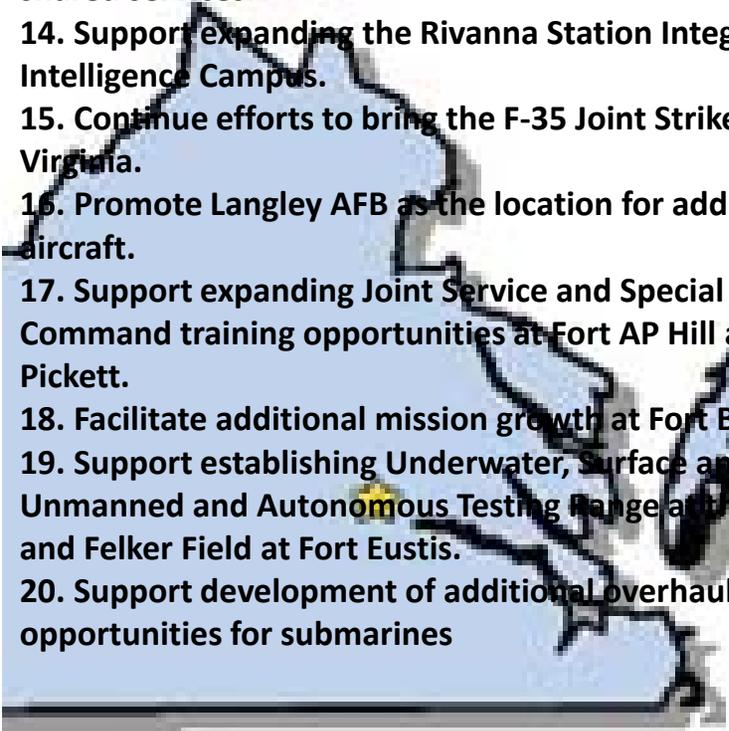
Setting the Stage for Success in Virginia

The Commission on Military Installations and Defense Activities conducted analysis under the past two Governors:

- ✓ Met with military, business, and community leaders in the military communities.
- ✓ Developed specific recommendations for communities and the Commonwealth in order to “Grow the Military Mission in the Commonwealth”.

Growing the Military Mission in the Commonwealth of Virginia

Recommendations

1. Create a Center of Excellence (COE) at the College of William and Mary devoted to a “Whole of Government” approach to national security challenges.
 2. Develop a strategy to close Navy identified strategic development gaps.
 3. Support expanding the RDT&E mission at NSWC Dahlgren.
 4. Accelerate efforts to pursue a cyber security mission for the Virginia Air National Guard.
 5. Host the persistent training environment for USCYBERCOM in Suffolk.
 6. Develop partnerships with industry and academia to strengthen and expand the Navy’s current cyber portfolio with an academic/joint/ interagency Center of Excellence.
 7. Increase Commonwealth involvement in autonomous systems development.
 8. Support expanding the Aviation Applied Technology Directorate’s (AATD) mission at Fort Eustis and increase support for joint research with the NASA Langley Research Center and the DOE Jefferson Lab.
 9. Compete for a National Network for Manufacturing Innovation (NNMI) Institute.
 10. Develop a proposal to leverage the capabilities at the Virginia Modeling, Analysis and Simulation Center (VMASC) to help DOD improve war gaming and virtual and constructive training.
 11. Investigate opportunity to conduct logistics optimization RDT&E at Fort Lee and Fort Belvoir.
 12. Implement Military Infrastructure Bonding Authority.
 13. Fully utilize the suite of authorities under the National Defense Authorization Act (NDAA) enabling increased use of shared services.
 14. Support expanding the Rivanna Station Integrated Intelligence Campus.
 15. Continue efforts to bring the F-35 Joint Strike Fighter to Virginia.
 16. Promote Langley AFB as the location for additional aircraft.
 17. Support expanding Joint Service and Special Operations Command training opportunities at Fort AP Hill and Fort Pickett.
 18. Facilitate additional mission growth at Fort Belvoir.
 19. Support establishing Underwater, Surface and Airborne Unmanned and Autonomous Testing Range at the Third Port and Felker Field at Fort Eustis.
 20. Support development of additional overhaul and repair opportunities for submarines
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WHY do we position the Commonwealth to “Grow the Military Mission”?

- DoD will look for closures with the biggest/quickest returns.
- Virginia is ideally postured for potential mission growth.
- Virginia must look for all opportunities to reduce costs:
 - ❖ Lowering operating costs now will mean less vulnerability;
 - ❖ Identifying areas on installations where we can expand/consolidate existing missions at minimal cost;
 - ❖ Exploring joint missions/operations to train as we fight.
- Virginia must preserve and enhance our training ranges and installations:
 - ❖ Incompatible development is NOT acceptable;
 - ❖ Aggressively pursue opportunities to increase military value of installations.
 - ❖ Utilize the Military Bonding Authority approved by the General Assembly



HOW do we position the Commonwealth to “Grow the Military Mission”?

- Virginia Air National Guard one of four states assigned cyber operations mission;
- Retired officer from TRADOC working with the military and William & Mary on development of the whole of government concept to support military leader development;
- Former senior DoD leaders to work with installations on partnerships and energy resiliency to reduce operational costs;
- Former Assistant Secretary of the Air Force working to promote Langley Air Force base as home for additional aircraft and missions;
- Work with neighboring states to improve ranges to enhance realistic training;
- Meet with business and civic stakeholders to identify ways they can support and enhance the military presence in their community;
- Work with professional organizations to participate in the discussions on possible BRAC criteria;
- Highly regarded, professional team to advocate for military mission in Virginia with Congressional and military leaders; and
- Ensuring continuity through mid 2018 so the new Governor’s administration continues the momentum on protecting our military assets.



What are Other States Doing?

- New York set aside \$3 million in the 2016-17 State Budget to strengthen and retain military facilities that include Ft. Drum, Ft. Hamilton, the Niagara Falls Air Reserve Station, as well as the Griffiss Business and Technology Park in Rome.
- Since 2005, Connecticut has spent \$14 million to support Naval Submarine Base New London through investments in its on-base infrastructure and training capabilities as part of an effort to raise its military value.
- In 2016, Texas' Office of the Governor has awarded a second round of over \$15 million from the Texas Military Preparedness Commission's Defense Economic Adjustment Assistance Grant (DEAAG) program to various military communities across the state of Texas.
- In 2015, Florida Governor provided \$3.1 million to counties to support community projects at Florida military installations.



Questions?