

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB EDCA 09-05 Military Base Closures
SPONSOR(S): Economic Development & Community Affairs Policy Council
TIED BILLS: **IDEN./SIM. BILLS:** SB 2322

	REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
Orig. Comm.:	Economic Development & Community Affairs Policy Council	15 Y, 0 N	Croom	Tinker
1)	_____	_____	_____	_____
2)	_____	_____	_____	_____
3)	_____	_____	_____	_____
4)	_____	_____	_____	_____
5)	_____	_____	_____	_____

SUMMARY ANALYSIS

This proposed council bill creates s. 289.984, F.S., to establish the Florida Council on Military Base and Mission Support. The council is created to provide the oversight and direction for initiatives, claims, and actions taken on behalf of the state relating to military base support. The mission of the council is to support and strengthen all U.S. Department of Defense missions and bases in Florida and serve as the liaison between local communities and the Legislature.

The proposed council bill requires the Office of Tourism, Trade and Economic Development to provide administrative support. The bill does not contain an appropriation; however, members serving on the council may receive reimbursement for expenses from the appointing legislative chamber or the Executive Office of the Governor, as appropriate, in accordance with s. 112.061, F.S.

HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

The Department of Defense is currently engaged in completing the 2005 round of base realignments and closures, commonly referred to as "BRAC."¹ The BRAC process reflects a desire to eliminate excess capacity, experience the savings from that reduction in capacity, and fund higher priority weapon platforms and troop training. There have been four BRAC rounds between 1988 and 1995. During the 1993 round, four Florida bases were closed.²

During the current 2005 BRAC round, a U.S. Army Special Forces Group of approximately 3,000 soldiers is scheduled to move from Ft. Bragg, NC to Eglin Air Force Base in Northwest Florida in the 2010-2011 timeframe. Also, Eglin is scheduled to establish multi-service/multi-nation training facilities for the F-35 Joint Strike Fighter aircraft in 2011. Eglin is slated to become the principal training facility for this latest generation military aircraft. The U.S. Navy, in a decision unrelated to the BRAC process, has recently announced its intention to homeport one of its nuclear powered aircraft carriers to Naval Station Mayport in Jacksonville. This basing decision will have significant positive economic impact on the Jacksonville area.

Only tourism and agriculture contribute more to Florida's economy than the 21 military installations and three unified commands that are situated in 13 counties throughout this state. That contribution, including associated defense industries, recently estimated at \$52 billion statewide, has a significant impact on the economic well being of each local host military community and the state as a whole.³

In 2003, the Governor created an advisory council comprised of 18 members of the private sector, including retired military officers, and state government to advise him on the BRAC 2005 round. The specific mission of the Advisory Council included:

- Keeping Florida's military installations off the base closure list;
- Knowing the capabilities of Florida's military installations for realignment potential from other locations; and

¹ See the Defense Base Closure and Realignment Act of 1990, Pub. L. 101-510, as amended through the National Defense Authorization Act of Fiscal Year 2003.

² Florida lost the Naval Aviation Depot Pensacola, the Naval Aviation Station Cecil Field Jacksonville, the Naval Training Center Orlando, and Homestead Air Force Base.

³ Recent study conducted by the University of West Florida on the economic impact of military spending in Florida.

- Supporting Florida's local community BRAC efforts by acting as a coordinator to the Governor's office and the state's efforts.

The Advisory Council's responsibilities were divided into four committees as follows; Intra State Activities, Federal Activities, Public Communications, and Competitive Advantages.

No future BRAC rounds are scheduled at this time. However, a recent Government Accountability Office (GAO) report highlighted problems being encountered during the current BRAC round implementation. These problems include:

- The increased risk that some BRAC recommendations may not be completed by the statutory deadline of September 15, 2011; and
- BRAC implementation cost estimates are higher and savings estimates are lower compared to the previous fiscal year. The GAO estimates that the total 20-year savings estimate for the current BRAC round is \$13.7 billion. This is a 62 percent reduction from the BRAC Commission's original estimate of \$36 billion in savings.⁴

Effect of Proposed Changes

The proposed council bill creates s. 289.984, F.S., to establish the Florida Council on Military Base and Mission Support. The council is created to provide oversight of the initiatives, claims, and actions taken on behalf of the state relating to BRAC with the mission to:

- Support and strengthen all U.S. Department of Defense (DoD) missions and bases located in Florida;
- Know the capabilities of Florida's military installations in order to support future military growth opportunities; and
- Support local community efforts relating to mission support of a military base by acting as a liaison between the local communities and the Legislature.

The council shall be composed of nine members. Three members are appointed by the President of the Senate, one of whom must be a member of the Senate. Of the remaining two appointees, one shall be a representative from a community-based defense support organization and one shall be a retired military general or flag rank officer or an executive officer of a defense contracting firm doing significant business in Florida. The Speaker of the House of Representatives shall appoint three members to the council in similar fashion including one member of the House of Representatives. The remaining three council members are appointed by the Governor. These appointees shall include the director or designee of the Office of Tourism, Trade, and Economic Development, the vice-chairperson or designee of Enterprise Florida, Inc., and one discretionary appointee.

Legislative members of the council serve a term of two-years commencing on July 1 of each odd year. The remaining members are appointed to four-year terms with vacancies filled for any unexpired portion in the same manner as the initial appointment. All members of the council are eligible for reappointment.

The bill provides that members of the council elect a chair and vice-chair. The chair and vice-chair serve terms of two years and are eligible to succeed themselves.

Council members serve without compensation but are entitled to reimbursement for expenses from their respective appointing legislative chambers or the Executive Office of the Governor in accordance with s. 112.061, F.S.

The council is directed to establish the following workgroups:

- The Intrastate Activities Workgroup. The tasks of this workgroup are to:
 - Collect information regarding local communities' concerns, activities, and supporting their respective military bases;

⁴ Government Accountability Office, Military Base Realignments and Closures — DOD Faces Challenges in Implementing Recommendations on Time and Is Not Consistently Updating Savings Estimates, GAO-09-217, January 2009.

- Conduct an analysis of the strengths of each military base and share that evaluation with the council and each affected community;
 - Conduct an analysis, in partnership with the Florida Defense Alliance and local communities, of the current and any proposed changes to DoD missions, force structure, and alignment;
 - Collect and disseminate best-practices information from and to affected communities;
 - Ensure that all affected communities and stakeholders are informed of and invited to assist in state-level efforts relating to statewide coordination of information gathering, strategy development, and best-practice sharing; and
 - Educate the Legislature regarding the importance of supporting the state's military bases.
- The Federal Activities Workgroup which is tasked with ensuring a council presence at the Pentagon and an ongoing dialogue with key Department of Defense officials;
 - The Competitive Advantages Workgroup which is tasked with researching and collecting best-practices and strategies throughout the United States. The workgroup will use the knowledge gained by their efforts to leverage Florida's competitive advantage with respect to BRAC activities; and
 - The Public Communications Workgroup which is tasked with increasing public awareness of BRAC activities and public investment in preserving the state's military bases.

The Office of Tourism, Trade and Economic Development is directed to provide administrative support to the council.

The Secretary or a designee of the Department of Community Affairs, the Department of Environmental Protection, and the Department of Transportation are required to attend all council meeting as supply assistance and information to the council upon request.

This proposed council bill requires the council to provide an annual report to the Legislature and the Governor of its activities and the current status of the state's military bases by January 1 each year.

The bill provides an effective date of July 1, 2009.

B. SECTION DIRECTORY:

Section 1. Creates s. 289.984, F.S., to establish the Florida Council on Military Base and Mission Support.

Section 2. Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Indeterminate. Council members serve without compensation but are entitled to reimbursement for expenses from their respective appointing legislative chambers or the Executive Office of the Governor in accordance with s. 112.061, F.S.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The efforts of the proposed council will have an indeterminate, but likely significant impact on the state and local economy if it is successful in keeping the state's current military base infrastructure intact while promoting the transfer of additional military assets to the state.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES