

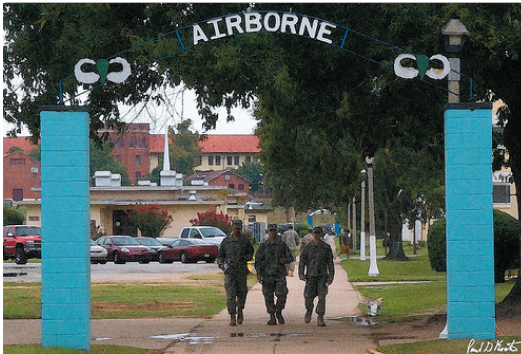


infobrief

A PUBLICATION OF ADC

The Latest Trends in **State-Level Military Affairs Offices**

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What Is ADC?

The Association of Defense Communities (ADC) is the nation's premier membership organization serving America's defense communities. With 1,200 members nationwide, ADC is the voice for communities and states with a significant military presence. ADC unites the diverse interests of communities, state governments, the private sector and the military on issues of base closure and realignment, community military partnerships, defense real estate, mission growth, mission sustainment, military privatization, and base redevelopment.

Support

For 30 years, ADC has been the voice of communities dealing with the challenges and opportunities of active and closed military installations. It's an organization built on support found through one-on-one interaction at conferences, timely updates in our weekly newsletter, and unique online resources.

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For defense communities, understanding the complex and important issues they must face is not an easy task. ADC recognizes the importance of learning and the opportunity that creates. Our comprehensive approach to increasing the knowledge of our members includes two major conferences — both full of timely and informative sessions — a highly regarded library of original publications, and a clearinghouse of information ready for your access.

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Our membership and leadership are not just the top experts in their profession, in many instances they set the standard for the field. From community leaders to retired military officers, attorneys, environmental experts, and engineers, ADC is the place where the best minds on defense community issues come together.

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Cover Images

(At Left) Fort Benning, Ga., is home of the Army Airborne School.

(Center) The 23rd Wing at Moody Air Force Base, Ga., consists of six groups and is tasked to organize, train and employ combat-ready pararescuemen, A/OA-10, HH-60, and HC-130 forces totaling 5,500 military and civilian personnel including three geographically separated units.

(Right) The Norfolk Naval Shipyard in Portsmouth, Va., was established in 1767, employed 43,000 at its peak during WWII, and remains the largest shipyard on the East coast. The city of Norfolk can be seen in the background. (Photo courtesy of Patrick Tremblay, Virginia National Defense Industrial Authority.)

I. INTRODUCTION

Many states are approaching their military resources in new ways. Historically, organized statewide efforts to sustain the military presence have been associated almost exclusively with potential economic threats from Base Realignment and Closure (BRAC) rounds, but that has begun to change. One of the key trends is the development of stand-alone, state-level military affairs offices — separate from departments that manage National Guard activities — to support the states' military bases and foster the presence of the defense industry.

The purpose of this Infobrief is to familiarize the reader with the status of various military affairs offices; some of the activities these offices conduct on a daily basis; and to describe the experiences of military affairs offices for states considering establishing an office or modifying the role of an existing one.

For states, there are significant payoffs from taking advantage of the multiple opportunities to influence federal policy regarding military infrastructure and the resources devoted to the nation's defense. The impact of a single base can exceed \$1 billion a year to a local economy.

Community-military partnering organizations have long represented the needs and interests of specific installations and activities to a state's congressional delegation and in Department of Defense (DoD) forums, such as during a BRAC round. But before the development of statewide organizations, few entities represented entire states except for ad hoc committees responding to individual BRAC announcements. After years of anxious and intermittent responses to BRAC, which bring sudden but temporary ebbs of attention to a state's installations, these newer offices are permanent and operate proactively. State-level offices also bring a broader perspective and additional resources to sustain military activities.

This Infobrief describes these offices in some of the states, such as Kentucky and Georgia, where the offices have had relatively long tenures, allowing for best practices and results to be gauged. The details demonstrate:

- The value of having such an office in place, particularly in states with a large defense presence;
- The responsibilities and activities of the offices; and
- The most prevalent approaches to creating an office, including its placement in the state government and the legislative authorities and financial mechanisms for its operation.

There is no single organizational structure recommended for a state-level military affairs office because there are very few, if any, states that have similar structures or needs. In terms of focus and outcomes, though, there are similarities that emerge across all offices.

Budgets for the offices generally run no more than \$1 million, with some states spending significantly less and others significantly more when grants are included. Many of the offices are not funded entirely through state budgets, and some do not have a set budget at

all. To develop the initial framework for the offices, some states have used National Emergency Grants (NEG) funds from the Department of Labor. Since these funds were intended for initial BRAC-related activities, though, states have to quickly establish funding from other sources.

The specific allocation is not a reliable measure of a state's investment in its defense industry in part because of inherent differences between states. "You can't say the organization in Georgia equals the organization in New Mexico equals the organization" elsewhere, said Hanson Scott, who heads the New Mexico Office of Military Base Planning and Support.

Creating the offices sometimes involves either drafting authorizing legislation or issuing an executive order from the governor's office. Many states place the offices under the purview of the governor, while others link them to an economic development agency. The overriding consideration for operation is to ensure the office has effective and timely access to senior state leadership.

Usually, just one person leads the offices, often working under contract rather than as a direct state employee. Some offices have one or two paid assistants, and nearly all have an unpaid board of directors. While the offices are known by a variety of names and are at different stages of development, they have similar objectives.

The Kentucky Commission on Military Affairs, for one, has a typically broad mission: "To preserve and expand national defense and military activities in Kentucky." This office provides a constructive model because it was well-planned, developed with expert assistance and can cite demonstrable progress over an extended period.

II. TWO STATE MODELS

Kentucky: Taking the Time to Do It Right

DoD has the second largest payroll among Kentucky industries that export their products out of state, according to the Kentucky Commission on Military Affairs. Yet from the late 1980s through the late 1990s, the defense industry was eroding rapidly.

Military spending in the commonwealth had virtually no growth during that period, said Jim Shane, executive director of the commission. The commonwealth lost nearly 14,000 military personnel and a quarter of a billion dollars in annual payroll.

"We were beginning to feel the pain," Shane said. "We accepted our fate as a way of doing business from day to day."

The commission was launched in 1997 to advance military activity in the commonwealth by attracting new DoD contracts as well as new missions and commands. As in other states, the scope of the office was outlined by statute.

Setup. KRS 154.12-203 established the commission as a separate administrative body of state government. An early form of the Kentucky commission was in the economic development cabinet, then in the adjutant general's office. Now it is under the jurisdiction of the

governor's office, "because the governor sets the vision," said Shane. "It has been a very useful position to be in, so to speak."

The full-time, "office" component of the commission is made up of the executive director, an executive assistant and a secretary. In many states with a similar office, the executive director has only one or no other people working alongside him.

As in other states, most of the people directly involved with the commission are members of the board of directors, which meets regularly. Under the statute, its members include:

- The governor
- The executive director, appointed by the governor, who serves as "CEO"
- The secretary of the economic development cabinet
- The adjutant general of the commonwealth, who in Kentucky heads a separate Department of Military Affairs
- The executive director of the Long-Term Policy Research Center
- The attorney general
- The commissioner of the Kentucky Department of Veterans' Affairs
- Kentucky's civilian aides to the secretary of the Army
- The secretaries of the commonwealth departments of Transportation, Education, Commerce, Health and Family Services, Justice and Public Safety, Environmental and Public Protection, Finance and Administration, and the personnel cabinet, which oversees hiring
- Commanders of the state's military installations serve as non-voting, ex-officio members

An executive committee of the board is appointed by the governor to establish the commission's goals and objectives.

The executive committee has grown from the initial five members to nine members by adding representatives from regions of Kentucky with a high military presence, with the commission's goals and objectives established by the executive committee.

Whenever there is a change in administration, the panel's membership changes as new officials are appointed to the commonwealth's senior leadership, such as a new adjutant general. But the transition is relatively smooth, Shane said. The fact that the Commission on Veterans Affairs, the adjutant general and the Commission on Military Affairs all fall directly under the governor's office demonstrates the military's importance to Kentucky no matter who the governor is, he said.

The commission is funded exclusively through the commonwealth's biennial budget. It has been funded consistently at around \$300,000 annually. As with any state-funded program, the commission needs to demonstrate the value of its activities to justify its appropriation.

Getting started. As a retired Army general, Shane knew much about the Army but little about state government when he was tapped for the commission in 1997. Conversely, the government of the commonwealth was not familiar with the operations of the military, Shane said. To bridge these gaps, he sought counsel from two states that had already established military affairs offices — Georgia and Texas. He learned from Georgia that a military affairs office can have added authority by working closely with the governor's office and that it was essential to develop a charter to establish clearly the scope of the commission.

To do this, he needed data on the economic impact of the defense industry in Kentucky. A University of Louisville economist conducted the first economic impact study for the commission — he would update it nearly every two years — and measured DoD spending in the commonwealth in fiscal year 1997 at \$2.6 billion.

For additional assistance, the commission tapped two consulting groups. One, which had specialists on Army operations, conducted a strengths/weaknesses/opportunities/threats (SWOT) evaluation of the state's military installations and significant defense activities. The other group, which had government affairs and lobbying experts, developed a plan to market Kentucky's defense capabilities based on the SWOT analysis.

The commission used these findings to develop its charter. Its goals include:

- Addressing issues with military significance to Kentucky;
- Recommending economic development projects that support economic progress through the military presence;
- Promoting and assisting the private sector in developing spin-off investment or educational opportunities associated with high-tech programs; and
- Assuring a "cooperative and constructive relationship between state and military entities to ensure coordination and implementation of strategies involved with or affected by the military."

Accomplishments. The commission got under way with considerable planning focusing on how Kentucky would respond to change resulting from military transformation and BRAC. One critical effort was the adoption of a strategic plan, derived from the SWOT analysis, for preserving and sustaining the commonwealth's defense industry. Not only is the strategic plan updated with each fiscal cycle, but the terrorist attacks of Sept. 11, 2001, prompted an immediate reassessment as well.

After 9/11, the commission issued a document called "Securing Kentucky's Future" to help guarantee the commonwealth would play a role in the renewed national focus on homeland security.

In fiscal year 2006, the most recent year for which data is available, annual defense spending in the state was \$8.3 billion, more than triple what it was 10 years earlier.

“Did the commission contribute to that?” Shane asked. “I think the answer is unequivocally yes.”

The commission also has worked to change Kentucky from within. With its influence, the state House and Senate each formed military affairs committees. These committees help assure lawmakers are informed and responsive to the needs of the defense industry and its missions. A key benefit of the commission is linking the legislative and executive branches of the state government on issues involving the military.

In fact, Shane’s first line of advice for other states forming a military affairs office is to educate the political leadership on the economic importance of the military. A governor should be convinced that such an office adds value to his or her constituents — through stable, and potentially increasing, business opportunities, for example.

“People have to know it’s [an asset] that is fragile. It could go away,” he said. The closure of Fort Knox alone, Shane pointed out, would cost the state \$3 billion annually.

Second, “you can’t do it on a shoestring,” he said. The office must be funded and management people must contribute expertise. They don’t have to be military people, but they at least must be familiar with defense issues. They can be part of another department as long as that department also is under the authority of the governor’s office.

Finally, a primary purpose should be “what’s good for military families,” Shane said, whether it’s helping military spouses find jobs or special needs for their children. “We just want to help them every way we can,” he said.

Georgia: A State of Transition

Georgia, one of the models for Kentucky’s office, was a pioneer in developing a statewide perspective on military affairs. The state, which also has a large defense presence, was among the first to have a military affairs office by virtue of a powerful champion of the idea: Georgia Sen. Sam Nunn, an influential U.S. senator on military issues. Prior to the 1995 BRAC round, Nunn convinced then-Gov. Zell Miller to establish a military affairs office to get ready for the coming base closure round; the Georgia Military Affairs Coordinating Committee was launched in 1994.

The committee’s focus when it first was created was preparing for BRAC 1995, said Executive Director Philip Browning. Following that BRAC round — in which no Georgia bases were closed or realigned — the governor assigned the committee a new, two-part mission. One role was to connect with the state’s military installations and share best practices among them. The other task was to identify elements at state installations in which the state could help improve military value and quality of life for service members and their families.

After Sonny Purdue became governor in 2003, the committee’s sole focus shifted back to preparing for BRAC — in preparation for the 2005 round.

As the executive director, Browning played a proactive role during the run-up to BRAC 2005 by developing a template for

evaluating the state’s installations and a subsequent “Issues and Actions” document. That document identified issues involving mission value and quality of life that state and local officials could address to improve the bases’ standing. It also assigned various agencies and individuals to resolve the concerns before DoD began its review of the installations.

While these evaluations and the strategy for dealing with outstanding issues was critical to the state’s success, the committee realized early there was a strong likelihood that the secretary of defense could recommend some Georgia bases for closure when the BRAC 2005 announcement was made. To prepare for that prospect, the committee hosted meetings with representatives from military base communities on what to expect if their installation was subsequently listed for closure.

“Up until [the 2005 round], we were working diligently preparing our bases for BRAC; however, we were sure we were going to lose something this time,” Browning said.

Efforts to plan for BRAC 2005 did not stave off closure of the four installations, but they did ensure affected communities understood the base closure process and were focused on expediting redevelopment once it was clear their local bases were slated for closure.

“We were so well prepared that when the May [2005 BRAC] announcement was made, LRAs [local redevelopment authorities] and leaders were already identified ... and communities already understood what they had to do to plan for redevelopment,” he said. Browning credited ADC outreach efforts with helping Georgia by hosting multiple workshops in the state about the next steps community officials should take following a BRAC closure.

Not until the BRAC 2005 selection process was completed was the committee’s current three-part mission established: to oversee the redevelopment of installations that are closing; to assist communities that face growth in military personnel; and to develop a strategy for the next potential BRAC round.

Setup. Gov. Purdue has set the state up like a business, and the staff of the committee operates through the state’s chief operating officer. The committee itself is made up of Browning, his deputy, the commanders, community representatives and a board of directors. The governor provides guidance to the board thru the chief operating officer, who in turn charges Browning and his deputy. With the current setup, the committee has access to staff throughout the state government’s executive branch, so it does not need a staff of its own.

The Georgia office receives about \$200,000 annually, and “that’s enough for what we do,” Browning said. He works under an annual contract.

Accomplishments. One of the current goals of the committee is to plan ahead for a future round of base closures. The governor has approved a grant to hire a contractor to complete a new BRAC

strategic plan to shape the committee's priorities over the coming years, Browning said.

Additionally, the committee is helping three of the four closing bases transition to private use — Forts McPherson and Gillem in the Atlanta area, and the Navy Supply Corps School in Athens. (The fourth, Naval Air Station Atlanta, will be transferred to the Army National Guard.) Each of the three sites has a planning group, funded by the state and DoD, to help plan for the reuse of the sites, and Browning serves as an advisor on these efforts. He serves as a liaison between the governor, state agencies, and military officials. Browning helped obtain workforce development grants used to train workers affected by the three base closures for careers in the life sciences industry.

Addressing installation growth is another key focus of the committee. An estimated 41,000 additional people will arrive at Fort Benning and Fort Stewart between 2009 and 2013 due to BRAC 2005, the return of troops from overseas locations and increases in the Army's end strength. As he did for the state's closure communities, Browning and the committee are helping the Chattahoochee Valley region and Liberty County with the challenges each community is anticipating because of this growth.

III. OTHER STATES: SIMILAR GOALS, DIFFERENT METHODS

Virginia. The commonwealth first had a temporary office. In 2003, Gov. Mark Warner issued an executive order establishing the Virginia Commission on Military Bases to help prepare the commonwealth for BRAC 2005. Two years later, the General Assembly established the Virginia National Defense Industrial Authority. Under its authorizing statute, the organization's mission is to provide "technical assistance and coordination between the Commonwealth, its political subdivisions, and the United States government military and national defense activities located within the Commonwealth."

The authority is housed in the Virginia Economic Development Partnership. As in Kentucky, there is no formal organizational connection between the military affairs and economic development departments, but they share resources, such as information technology and administrative services. The defense authority is considered an independent organization, and David Dickson, the executive director, reports to the Secretary of Commerce and Trade.

Rather than spell out the functions to be represented, the statute established who would choose the members of the board of directors: the governor would choose 10, the speaker of the House would choose four and the Senate Rules Committee, two. When there is a vacancy, the position is filled by whichever authority appointed the departing individual. One board member, however, is explicitly mentioned in the statute — the adjutant general.

Dickson credited the board for keeping the group productive. It is chaired by Joe Reeder, the former undersecretary of the Army,

and includes eight former general officers, a university president, a Virginia mayor and many others. The members hold their positions for six years, which ensures continuity in a state in which the governor cannot be elected for consecutive terms.

The authority conducts its work through three committees. The strategic planning committee follows federal and state

They're Not Just Fighting The Next BRAC Round

Back in the 1995 BRAC round, Brig. Gen. Jim Shane was the Army BRAC guru. Kentucky had a tremendous amount of interest in protecting its installations. Today, heading the state's Commission on Military Affairs, Shane sees BRAC not as a means to an end but as part of his overall strategy. His broader goal is to increase defense spending and DoD's investment in its military installations — and this is particularly satisfying.

"You don't get rich doing this," he said. "You do it because you love Kentucky."

These offices have a broader commitment than has sometimes been understood. After the 2005 BRAC round, the Utah Defense Alliance's Rick Mayfield recalls, there was an assumption that Utah no longer needed an organization on behalf of the state's military installations. Today, the alliance helps "blend together what we think will be needed in the future for our installations," said Mayfield, the executive director.

BRAC is only one element of what the military affairs offices do. But with each new BRAC round, the states intend to be better prepared.

legislation that affect Virginia military installations and activities, and serves as a liaison between DoD, the governor's office, and the Virginia congressional delegation. The local coordination, support and communication committee is a liaison between regional and community military councils, helping to develop new opportunities for the bases and the communities supporting military installations. The grant review and oversight committee administers Virginia's Military Strategic Response Fund, which the Virginia General Assembly established in 2006 to support communities affected by the 2005 round of BRAC. For example, the city of Virginia Beach received \$15 million to address encroachment at Naval Air Station Oceana during the 2007-2008 biennium and is slated to receive an additional \$15 million in the 2009-2010 biennium. The city is required to match the state funding.

Funding for the grants is included in the commonwealth budget. The commonwealth awarded \$25 million in grants for the

2007-08 biennium, leveraging another \$50 million in matching funds, for a total of \$75 million for BRAC-related issues. The Virginia General Assembly awarded another \$27 million for BRAC response for the 2009-10 biennium, which also will be matched with local funds.

In November 2007 and April 2008, the authority hosted its first two community roundtable discussions of military and BRAC-related community issues. The roundtables identified issues considered short-term — through 2011, the deadline for implementing the 2005 BRAC recommendations — and the long term, between 2011 and 2020. Also in November, Arlington County, with the authority's assistance, launched a BRAC Transition Center to offer assistance programs during BRAC implementation, such as helping affected workers find new jobs.

Maryland. The state has formed three separate groups over the last 10 years to either plan for BRAC or to help sustain its military installations. The first, the Office of Military and Federal Affairs (OMFA), was launched in 1999 without anything “official” — neither legislation nor an executive order, according to the current director, Michael Hayes. The governor created the organization at the recommendation of U.S. Rep. Steny Hoyer and other Southern Maryland officials. The office falls under the state's Department of Business and Economic Development, which generally gives the group “free rein” to operate, Hayes said.

Funding for the office comes in part from allocations from the state budget and contributions from municipalities and counties. The state also received a DoD Office of Economic Adjustment (OEA) grant to plan for the impacts of BRAC 2005. OMFA coordinates the grants and disperses them to other agencies.

The money also supports the seven independent military alliances that advocate for the state's installations. The bases contact Hayes to deal with local authorities and to use him as a bridge between developers and state agencies.

Hayes also has helped small businesses learn how to work with the government. He has held public educational sessions and developed a small business opportunities manual to help the businesses navigate through the federal procurement system.

In 2003, the Maryland Military Installation Strategic Planning Council was set up to help the state prepare for BRAC 2005. After it issued a report, the General Assembly formed the Maryland Military Installation Council and charged OMFA with organizing it. The mission of this council involves identifying what is needed to further develop the state's military installations and assessing the impact of development and expansion on local communities. Hayes leads this office as well.

In 2004, the General Assembly designated OMFA as the point of contact on all BRAC issues. Three years later, the General Assembly launched the state's first BRAC sub-cabinet and charged OMFA with helping to implement it. The lieutenant governor chairs the sub-cabinet, which has a primary focus on drafting legislation to

handle the changes coming out of the last BRAC.

Maryland fared better than almost any other state in the 2005 round, and Aberdeen Proving Ground, Fort Meade, and the National Naval Medical Center (to be renamed the Walter Reed National Military Medical Center) all will receive significant increases in personnel, including an estimated 9,000 at Aberdeen and 5,800 at Fort Meade. Growth, however, will present multiple challenges. Perhaps the greatest challenge in Maryland is transportation, said Hayes. Traffic congestion in the Washington, D.C., region already is severe, and the addition of thousands more people will create “even more of a mess,” he said.

Florida. The Florida Defense Alliance is in a unique position. It lies within Enterprise Florida Inc., an economic development agency that resulted from the privatization of the state Department of Commerce. Enterprise Florida created the alliance 10 years ago as a nonprofit partnership between the state government, the congressional delegation, base commanders, community leaders and others.

The mission of the Florida Defense Alliance includes identifying opportunities to address the needs of installations through state, regional and local assistance programs; preventing potential encroachment; expanding technology-transfer partnerships between educational institutions, military research and development offices, and industry; and supporting bases' decisions involving privatization. There is a line item in the state budget for Enterprise Florida, but no line item for the Florida Defense Alliance within the Enterprise Florida budget or the state budget in general. Enterprise Florida is simply authorized to spend money on the alliance based on its needs.

The alliance includes 19 community representatives, one from each county with an installation, and one representative from each county with a base reuse program. It is comprised of working groups whose activities vary depending on whether a BRAC round is under way, said its current executive director, Warren “Rocky” McPherson. Right now, post-2005 BRAC, there are working groups on family services, which addresses issues such as access to schools and licenses for nurses; and growth management. The alliance's efforts on encroachment, for example, helped establish the Northwest Florida Greenway around Eglin Air Force Base.

New Mexico. A 2003 state law authorized both an Office of Military Base Planning and Support and a Military Base Planning Commission to help prepare for the 2005 BRAC round. They are budgeted under the state Economic Development Department.

The statute summarizes the purpose of the office: “to ensure that all community-based organizations which support their respective military installations are receiving coordinated, focused support at the state level.” Among its functions are evaluating the impact of BRAC, collaborating with community organizations and advising the governor on protecting installations in the state.

The planning and support office is comprised of one person,

The Newest Offices

Connecticut and Indiana have created military affairs offices within the last couple of years, and they have had the advantage of seeing how they already work in other states.

The Connecticut Office of Military Affairs, authorized through legislation, is charged with supporting the development of a defense/homeland security cluster and establishing and coordinating a Connecticut Military and Defense Advisory Council to provide technical advice and assistance. Justin Bernier, who was appointed in October 2007 to head the office, said it will help the state diversify within the defense industry. For example, Connecticut is competitive in the mini-submarine market but has not exploited it.

Bernier cited three primary goals of the office: supporting the Naval Submarine Base in Groton, addressing quality of life issues for service members, and tackling acquisition issues for the marketplace. Connecticut has a tradition of attending to veterans' needs, Bernier said, and active members of the military should be given the same attention. "That's good not only by itself, but also because it fits in with the long-term health of the state," he said.

In Indiana, the military affairs office is known loosely as the Defense Development division, authorized by executive order and originating from an Indiana Defense Asset Study conducted with BRAC and National Emergency Grant (NEG) funds. The state developed the study, which looks ahead 10 years, in an environment in which Indiana has risen from "nowhere" to the Top 20 in the country in defense contracts (much of this resulting from the wars in Iraq and Afghanistan). Indiana needs to strengthen its position for defense contractors even if the political situation changes to a postwar environment, said Jason Lovell, who heads the division. A primary goal is to link Indiana's defense clusters, bringing in universities and the private sector as well as all state agencies that have a role in further developing the defense industry within the state.

The division is within the new Office of Energy & Defense Development, which is led by the lieutenant governor, and promotes economic development in Indiana in both the defense and energy industries. The state previously had an energy group, but nothing in the area of defense, Lovell said. With NEG funds from the Department of Labor, the state decided to put the offices together. Lovell cited synergies between energy and defense: there is a proposal to allow a military base to become a home or supplier of alternative fuels.

After using the NEG funds in a previous fiscal year, the division does not have its own line item in the state budget, but the governor's office and other state agencies are contributing funds to its operation, Lovell said.

Lovell is confident that the division will continue to receive funding, but he said the division might be transferred out of the state government and into the public-private sector. The lieutenant governor might be the chairman of the board, and much of the office's activity would be handled by a nonprofit organization with a satellite office in the state government.

"We're looking at leaving state government because it gives you a tremendous amount of flexibility," Lovell said. State budgets are tight, and "it's tougher to make your case with taxpayer dollars." A nonprofit could leverage state funding but also seek out federal, university, foundation and other private sector funds. The idea also is rooted in the Indiana ideology of limiting government control — privatization already has occurred in other traditional government sectors in the state, including transportation, logistics and the life sciences. There are models for this in other states, such as the Utah Defense Alliance and TEDCO, a technology-transfer organization in Maryland.

The Military Base Planning Council is under the purview of Lovell's division, but is a separate organization created by Indiana statute and chaired by the lieutenant governor. It has neither funding nor staff beyond Lovell. Its focus is in part to settle community growth issues, which are emerging for the first time with the planned growth of a National Guard unit.

Hanson Scott. The Military Base Planning Commission is authorized to consist of 15 members, including the lieutenant governor, the secretary of the Economic Development Department, and 13 representatives from the counties or adjoining counties with military bases.

The budget is sufficient for all of his expenses, Scott said, even for one person traveling a large state who does not always have necessary resources at hand. He lives in Albuquerque and is based in Santa Fe, 55 miles away. Scott has driven 240 miles to Las Cruces for an early-morning meeting and 130 miles roundtrip to return a laptop computer. But Scott strongly suggests that face-to-face communication is essential in his position.

Unlike in many other states, Scott works as a state employee rather than on contract. He believes this status provides greater authority when interacting with local officials.

Kansas. The governor issued an executive order in 2004 establishing a Strategic Military Planning Commission to plan for BRAC 2005. Its mission ended Dec. 31, 2005. A new executive order in 2006 established the Governor's Military Council, which, like its predecessor, fosters cooperation between the administration, key legislators, and business and military leaders. John Armbrust and Lt. Gov. John Moore, who held similar positions in the commission, were appointed executive director and chairman, respectively.

The council has had primarily two sources of funding. Originally, half came from the state general fund and half from communities surrounding major installations, Armbrust said. Now the state funds three-quarters, and supplemental funds come from OEA. The ratio will change again when the OEA grant ends; either the state will increase the budget or the council will have to identify other sources of funding, Armbrust said.

The council holds quarterly meetings which rotate among the state's military installations. The meetings are held in the neighboring communities and typically focus on the local installation.

"It's a two-way street," Armbrust said. "Kansas definitely recognizes the significance of the community in terms of economic development to the state."

Though Armbrust works at the behest of the governor, the council's relationship with state government would probably be represented by a dotted line, he said. Armbrust's office is at the Chamber of Commerce in Manhattan, Kan., 58 miles from the state capital of Topeka. The governor must re-charter the council every one to two years.

Utah. Established with a different name in 1994, the Utah Defense Alliance (UDA) was, like its counterpart in Georgia, one of the first offices of its kind. It is a nonprofit organization, evolving from a community-military partnering organization to a statewide strategic planning organization.

The office focused initially on Hill Air Force Base on the eve of the 1995 round of BRAC. Rick Mayfield, who had led the state

economic development department, worked part-time for the alliance before becoming its director.

The goals of the UDA include promoting the availability of a high-skilled workforce and expanding Utah's aerospace industry stemming from Hill. The alliance is funded through a budget appropriation as well as through county and local governments, and private contributions.

The alliance has a board of directors and a staff of two, though Mayfield said he is looking at adding a new position focused on the Westside Development at Hill. Mayfield operates largely independently but occasionally briefs the governor, who has the authority to intervene by virtue of his office.

"If the governor called and said, 'I want you to do this,' we'd do it," Mayfield said.

Last year, the legislature created another entity, the Military Installation Development Authority, to facilitate enhanced use leasing projects in Utah such as Westside. Mayfield also directs this office, which has bonding authority for specific projects.

Texas. In the late 1990s, the state established both an Office of Defense Affairs and the Texas Strategic Military Planning Commission to assess the impact of installations on the state economy. Both groups were under the Department of Economic Development because they reported directly to the legislature. But Texas abolished the Department of Economic Development in 2003 and transferred its functions to the governor's office. At that time, the defense office and commission were replaced with the Texas Military Preparedness Commission, created by statute and funded in the state budget.

Like other states, Texas originally focused on BRAC from the point of view of losses, said Bill Ehrie, current chairman of the commission. Today, it treats possible changes as opportunities. The commission develops an annual master plan that contains strategies for defense communities on working with officials from the state's installations.

IV. CONCLUSION

States with a low defense presence may not need military affairs offices, but officials in all states can learn from the history and process behind their formation and operation elsewhere. Common themes from states with military affairs offices include:

- States with active and aggressive military affairs offices report significant gains to their states' economies from focused attention on the defense industry.
- In many states, the offices originated from a gradual process that began with a response to BRAC. Some have more than one office that serve different, but complementary, functions.
- Officials who work directly for the governor cite the advantages of access and authority. Other offices fulfill their missions through cabinet-level offices or in a more independent entity, such as within the nonprofit instead of the

government sector.

- All military affairs offices aim to protect and develop their defense industries more effectively. Common missions of the offices include:
 - Facilitating communication between bases and activities and the surrounding community, and providing a centralized resource for state officials, installation commanders, the business community, troops and their families and the rest of the general public. It is “useful at getting the right people in the right room to help solve problems,” Virginia’s Dickson said.
 - Helping states prepare for the future of their installations — whether they have gained or lost personnel and/or functions in previous BRAC rounds.
 - Addressing mutual concerns, such as encroachment and transportation.
 - Boosting the defense industry by increasing defense expenditures, recruiting local businesses and promoting the importance of the military to the state’s well-being.
 - Supporting military missions and national security.

The states cited in this report have used military affairs offices to reclaim authority over their defense assets. Kentucky can cite hard numbers — a \$5.4 billion increase in annual defense expenditures over a 10-year period — to demonstrate the success of the Kentucky Commission on Military Affairs, but all of these states have experienced gains in economic development and improved support for national security by bringing renewed attention to their local defense industry.

The establishment of more than 20 state military affairs offices demonstrates the need for states to become involved in their defense industries, whether it is for sustaining a current military mission, lobbying for additional missions or for increasing the level of DoD contracts in the state. The incentives for establishing these offices are to support state economies and to provide states a voice in national security issues. Establishing and running a state military affairs office can be a complex and frustrating activity, primarily because the defense industries in most states involve a significant level of government activity, regulation and coordination. Ensuring that state and congressional leadership and local communities are coordinated in their efforts to support the defense industry is the essence of a state military affairs enterprise.

A SAMPLING OF STATE OFFICES PROMOTING THE NEEDS OF MILITARY BASES

Includes only offices cited in this report.

NAME OF OFFICE	AUTHORIZATION	FUNDING	PLACEMENT
Connecticut Office of Military Affairs	Legislative/statute	State budget	Under Dept. of Economic & Community Development
Florida Defense Alliance	Nonprofit partnership	Through Enterprise Florida (economic development agency)	In Enterprise Florida
Georgia Military Affairs Coordinating Committee	Executive order of the governor and reappointed by subsequent governors	State budget, tobacco settlement money; previously received corporation donations	Under state's chief operating officer
Indiana Office of Energy & Defense Development, defense division / Military Base Planning Council	Division: Executive order; Council: Legislative/statute	Originally National Emergency Grant; now through contributions elsewhere in state gov't	Office of Energy & Defense Development (led by lt. gov.)
Kansas Governor's Military Council	Executive order	State budget; Office of Economic Adjustment grant; originally also contributions from communities	Operates at behest of governor; uses Manhattan Chamber of Commerce space
Kentucky Commission on Military Affairs	Legislative/statute	State budget	In governor's office
Maryland Office of Military and Federal Affairs / Maryland Military Installation Council	OMFA: none; MIC: Legislative/ statute	State budget; contributions from municipalities, counties; Office of Economic Adjustment grant	In state Dept. of Business & Economic Development
New Mexico Office of Military Base Planning and Support / Military Base Planning Commission	Legislative/statute	State budget (through Economic Development Department)	In state Economic Development Dept.
Texas Military Preparedness Commission	Legislative/statute	State budget	In governor's office
Utah Defense Alliance / Military Installation Development Authority	Unofficial	UDA: State budget; county / local gov'ts; private contributions; MIDA: state budget; bonding	Nonprofit, independent
Virginia National Defense Industrial Authority	Legislative/statute; predecessor by executive order	State budget (for grants)	Independent; reports to state Secretary of Commerce and Trade