

**Topic:**

STATISTICAL INFORMATION; GRANTS; STATE FUNDS; LEGISLATION; DEFENSE INDUSTRIES;

**Location:**

ECONOMIC AND COMMUNITY DEVELOPMENT; MILITARY;



May 2, 2006

2006-R-0314

**STATE FUNDING FOR INFRASTRUCTURE AT MILITARY BASES**

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You asked which states have funded infrastructure improvements on or near military installations that were subsequently removed from the list of bases that the Defense Department's 2005 Base Realignment and Closure Commission (BRAC) recommended for closure.

**SUMMARY**

We used Internet searches and information provided by the National Conference of State Legislatures to identify states that allocated funds to improving infrastructure on or near military installations. Recognizing the economic value of their military bases, many states responded to BRAC's base closure recommendations by creating military affairs committees and hiring lobbyists to represent the interests of their military installations. But few committed to building improvements at these sites.

Some of these states funded infrastructure improvements on a project by project basis. These include Alabama, California, New Mexico, New York, and Texas. Massachusetts and Georgia also allocated funds for specific facilities but will not release them until the Defense Department expands operations in their states.

Other states have funded improvements by establishing programs to identify and select projects. Florida and Pennsylvania's programs provide grants to local communities to upgrade military bases, while Arizona and Texas created revolving funds to finance infrastructure improvements.

## PROJECT BY PROJECT

### *Funded*

**Alabama.** The governor's office reported that the state spent \$6 million to improve a community-technical college that trains students to repair helicopters at a nearby military base. It also stated that it provided \$600,000 to “community support organizations” at four military bases (Press Release, Governor's Office, May 6, 2005).

**California.** The state awarded \$400,000 in “retention grants” in 2001 to help communities fund improvements at military bases. For example, it provided one community with \$50,000 to study the design and cost of an instrumentation and calibration system for testing an experimental fighter jet at Edwards Air Force Base (George Cahlink, “Bracing for Closure,” *Government Executive Magazine*, Aug. 1, 2001).

**New Mexico.** The New Mexico legislature spent \$600,000 for road improvements near two air force bases in 2004 (HB 293).

**New York.** The state spent \$9 million in 2005 building infrastructure near Fort Drum to encourage affordable housing construction near that base. The state also provided subsidized power to an air force base in 2003, and it spent over \$120 million for special projects and improvements at an air force research lab since 1995, according to press releases from the governor's office.

**Texas.** In 2004, the governor committed about \$36 million to improve roadways in and around Fort Bliss and Fort Hood. The state's transportation commission agreed to fund these projects as a strategic priority (Meeting Minutes, Texas Transportation Commission, August 26, 2004).

### *Unfunded*

**Georgia.** Georgia's Military Affairs Coordinating Council directs the state's military base retention strategies. It anticipates funding infrastructure improvements once the Defense Department announces where it will expand its presence in Georgia, according to Col. Ret. Fred Bryant of the Coordinating Council.

**Massachusetts.** In 2005, the Massachusetts legislature passed a \$261 million bond authorization to support infrastructure construction at two bases, but made the funding contingent on the Defense Department's agreeing to expand the bases' missions (2005 Mass. Special Acts, Ch. 4).

## PROGRAM EXPENDITURES GRANT PROGRAMS

### *Revolving Funds*

**Arizona.** The Arizona legislature established the Military Installation Fund in 2004 with an annual \$4.825 million appropriation. The Commerce Department administers the fund, which is used to (1) acquire private land or other ownership rights near

military installations (80% of total awards) and (2) fund military installation preservation or enhancement projects in defense communities (20% of total awards).

The department has not awarded any of its appropriation yet, according to Sherri Lee, the fund manager. The fund did not begin operating until July 2005 and only recently began to identify properties and review applications for infrastructure improvements, Lee stated.

**Texas.** In 2003, voters approved a ballot initiative authorizing state agencies to issue up to \$250 million in bonds to fund a military value revolving fund. State agencies can use the fund to provide loans for economic development projects that benefit defense communities, including projects enhancing the value of military installations. The fund allows defense communities to borrow at low interest rates.

Three communities have submitted applications, but no bonds have been sold at this time, according to Bob Rasmussen, executive director of the Texas Military Preparedness Commission. The applications include (1) a \$39 million proposal for facilities and infrastructure improvements at an air force base, (2) a \$10 million proposal for a roadway and land acquisition project, and (3) a \$24 million proposal for a roadway project.

### **Grant Programs**

**Florida.** Florida's legislature authorized a defense infrastructure grant program, which the executive Office of Tourism, Trade and Economic Development administers in conjunction with Enterprise Florida, a nonprofit economic development organization. In FY 06, this program provided \$3.498 million in grants to 12 projects designed to improve the military value of the state's bases and installations. In the past, grants have allowed defense communities to build roads, create buffer zones, and extend utility and communication lines to nearby bases.

**Pennsylvania.** The Pennsylvania Base Development Committee provides \$75,000 to \$250,000 grants to municipalities and nonprofit organizations to improve infrastructure in communities with military bases. The legislature appropriated about \$5 million to the committee in the past three years and the committee's director, Joe Spielbauer, anticipates more funding in FY 06-07. Of this total, the committee spent \$190,000 on overhead costs and granted the rest of the funding to seven communities that represent the state's 11 military installations, Spielbauer stated.

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