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Statement of Lieutenant Governor Anthony G. Brown
State of Maryland
House Armed Services Committee
Subcommittee on Readiness
Implementation of the Base Realignment and Closure 2005 Decisions
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The State of Maryland is prepared to accept an expanded role and responsibility in support of our Nation's defense and security efforts. Between now and 2011, Maryland anticipates the arrival of as many as 60,000 new jobs and 28,000 new households as a result of the 2005 Base Realignment and Closure (BRAC) Commission recommendations that are codified in Federal law. Maryland understands its responsibility and is working diligently, in collaboration with local, state and Federal government, as well as with its private partners, to prepare its physical infrastructure and the human capital to successfully meet the command given to the State by the BRAC Commission and the Federal government.

The following testimony provides the details of Maryland's BRAC readiness: including a summary of the BRAC 2005 law's effect on Maryland; an overview of Maryland's strong workforce and economy; a description of the Governor's Subcabinet on BRAC; lessons learned from prior BRAC expansion in Maryland at the Patuxent River Naval Air Station in Southern Maryland in the 1990s; and new initiatives and policies Maryland is pursuing to maintain and enhance its readiness.

Maryland's readiness for BRAC stems from its tremendous capacity and foundation for growth. Under Governor Martin O'Malley's leadership, Maryland is prepared to continue making the sound investments necessary to succeed.

BRAC 2005 Decision:

Because of the BRAC decisions enacted into law in November 2005, Maryland will shortly assume a greater role in assisting the U.S. Department of Defense (DOD) mission requirements of achieving operational efficiencies in our country. Concurrently, Maryland will seek to optimize the benefits resulting from this realignment and consolidation of military missions and activities.

In order to both fulfill these obligations and reap these benefits by 2011, under the BRAC timeline, the State has begun and will continue the collaborative work necessary to ensure appropriate regional and statewide planning. With the relocation of these activities to Maryland, as many as 60,000 jobs will be created in the State, generating the single largest job growth in Maryland since the end of World War II

and making Maryland the largest beneficiary of employment growth of any state affected by the 2005 BRAC process.

Based on conservative estimates, the State will realize an increase of more than 15,300 direct jobs from the Federal Government (including embedded contractors), approximately 23,000 indirect jobs consisting primarily of Federal contractors, and more than 7,000 induced jobs that relate to support services for employees and their families. Induced jobs speak to the heart of the type of entrepreneurship that helps to build a more livable and robust community. These jobs include restaurant and retail staff, teachers, and law enforcement personnel, daycare providers, and drycleaners, among others.

It is anticipated that the majority of these jobs – approximately 94 percent of the cumulative direct, indirect and induced jobs – will be located in nine jurisdictions in the central Maryland region: Anne Arundel, Baltimore, Cecil, Frederick, Harford, Howard, Montgomery and Prince George’s Counties and Baltimore City. These jurisdictions will each realize a significant increase in jobs and residents. Preliminary analysis indicates that within these counties, approximately 10,000 jobs will be located near Ft. Meade in Anne Arundel County, 13,000 will be clustered around Aberdeen Proving Ground in Harford County and the rest will move to other parts of the State, notably the areas around Ft. Detrick in Frederick County, the National Naval Medical Center in Bethesda and Andrews Air Force Base in Prince George’s County. As direct-job employees actually begin transitioning to Maryland, the numbers will be more refined for direct, indirect and induced jobs.

BRAC is also expected to cause the relocation of approximately 28,000 new households to Maryland, nearly all to those eight counties already mentioned, as well as to the City of Baltimore. Based on past development patterns, 85 percent (approximately 21,565) of BRAC households will likely settle within Priority Funding Areas (PFAs) by 2015. The “PFA” is a concept developed as part of Maryland’s nationally-recognized Smart Growth program and constitutes one of several geographic focus areas for the State’s investment in growth-related infrastructure. Under Smart Growth, the State allocates program activity and funding to support established communities and locally-designated growth areas with existing infrastructure and housing.

Maryland is a Dynamic State

Maryland residents enjoy a quality of life that ranks among the highest in the Nation: the State’s per capita income is the highest in the United States; it is home to one of the most highly-educated workforces in the Nation, with more than 15 percent of its workforce having earned an advanced degree and more than 30 percent having earned at least a bachelor’s degree; Maryland has more Ph.D. professionals as a percentage of its workforce than any other state; and Maryland’s public schools lead the Nation in Advanced Placement (AP) education and rank second in AP student performance.

Due in large part to its competitive workforce and longstanding commitment to building a strong and globally-competitive, knowledge-based economy, Maryland is home to 160,000 private-sector employers; 70 of the Nation’s top 100 Federal contractors; more than 50 Federal agencies

- including the National Security Agency, the Food and Drug Administration, the National Institutes for Health, the National Aeronautic and Space Administration; nearly 400 Federal, academic and private research centers; and the Universities of Maryland and Johns Hopkins. Such a critical mass of government operations and world-renowned research and development (R&D) capabilities places Maryland at the top of the list of Federal R&D state funding recipients. In addition, with more than \$12 billion obligated each year, Maryland ranks second in per capita Federal R&D funding.

Maryland also is home to the country's most diverse business community. Small- and family-owned businesses employ nearly 50 percent of its workforce. More than 400,000 small businesses operate in the State. Among these enterprises, 31 percent are majority-owned by women and 16 percent are majority-owned by African Americans; both figures constitute the largest percentage of women-owned and minority-owned enterprises in the Nation.

Furthermore, Maryland has a world-class transportation network to support its vibrant economy and diverse communities. Its transit systems provide roughly 95 million trips in the Washington and Baltimore regions annually. Safety and capacity on the State's highways, which carry 70 percent of its total traffic volume, will be increased in upcoming years by major construction projects such as the new Woodrow Wilson Bridge in Prince George's County and the Intercounty Connector, an east-west highway connecting I-270 with I-95. Baltimore/Washington International Thurgood Marshall Airport serves 21 million passengers a year and is rated as one of the 10 most convenient airports in the country. As one of the few states to bring all modes of transportation under one agency umbrella and to use a separate, consolidated transportation trust fund to finance its programs, the State avoids the institutional barriers and other common obstacles to the coordination and flexibility necessary to establish optimal transportation policy and priorities. Already recognized nationally for integrating Smart Growth and transportation policies, Maryland is also pursuing a portfolio of growth programs designed to promote housing, office and retail space around key transit centers and to boost transit ridership.

Because the State has embraced many innovative Smart Growth strategies and policies, Maryland has been fortunate to reap the benefits of a strong and diverse housing market in dynamic communities that spread across the State. From the inlets of the Eastern Shore to the mountains of Western Maryland, with many urban centers and small towns in between, Maryland offers a full range of options for everyone: parents raising children; young professionals wanting proximity to cultural and sports entertainment; and consumers seeking goods in local markets among others. Examples include the main streets of historic communities, golf course developments, tranquil estates along the Chesapeake Bay, "walkable" and transit-oriented communities in the Washington, D.C. suburbs and waterfront condominiums in downtown Baltimore City.

Maryland enjoys a diverse and beautiful natural landscape, preserved by the State's nationally renowned efforts in environmental protection. Spanning only 200 miles from the Appalachian Mountains to the Atlantic Seacoast, the State boasts 17,000 miles of waterways and 450,000 acres of public lands, all of which support active commercial and recreational fisheries, boating opportunities, and safe beaches. In addition, the State has the enormous economic and environmental asset of the Chesapeake Bay, long recognized as a national treasure.

Governor O'Malley and the General Assembly protected these many strengths by passing and enacting comprehensive legislation during last month's special session that will allow Maryland to close an inherited \$1.7 billion structural budget deficit. Through a combination of revenue enhancements and budget reductions, the State was successful in its efforts to protect and improve the high quality of life already enjoyed by its residents. Some of the products of the hard work done in the special session of the General Assembly are a dedicated source of funding for higher education, an additional \$450 million investment in the Maryland Transportation Trust Fund, an allocation of funds to provide health insurance for 100,000 uninsured Marylanders, and an invested allocation of \$50 million to clean the Chesapeake Bay. These investments were made with an eye to the future so that all Marylanders, those who already live in the State and those who are on their way, can enjoy a high quality of life for generations to come.

Lastly, and perhaps more pertinent to this hearing, Maryland already has a proven track record of success in previous BRAC rounds. Through the 1995 BRAC experience at the Patuxent River Naval Air Station in Southern Maryland, the State learned valuable lessons about the need for improved intergovernmental coordination, more continuous monitoring of growth patterns, and more long-term investments in infrastructure. According to a study conducted by the Tri-County Council for Southern Maryland, by 2003 the highly successful 1995 BRAC transition had generated over \$80 million in annual State income and sales tax revenue from the additional jobs in the region, while at the same time experiencing no degradation in the quality of life enjoyed in the region.

Governor's Subcabinet on BRAC

In preparation for BRAC growth and development, Governor Martin O'Malley proposed and the General Assembly passed legislation creating the Governor's Subcabinet on BRAC. As set forth in the law, the BRAC Subcabinet's mission is to "coordinate State activities and work with the Federal and local governments to prepare for and accommodate incoming households and jobs while sustaining and enhancing the quality of life throughout the State." As one of its most essential mandates, the BRAC Subcabinet must "prepare and implement an action plan, in collaboration with local jurisdictions, to identify and guide critical tasks, programs, projects, activities and initiatives that address the needs created by the arrival of residents and businesses." In addition, this law directs the BRAC Subcabinet to "supplement and disseminate information on programs and opportunities that will harmonize efforts to bring quality, long-term, Smart Growth associated with BRAC-related military installations."

In order to collaboratively address the immediate needs and requirements that arise from the BRAC decisions, the statute creating the BRAC Subcabinet specifically names the Lieutenant Governor as its Chair and nine Cabinet-level secretaries from those agencies most directly involved in BRAC-related issues as members. The departments represented on the BRAC Subcabinet include: (1) Department of Budget and Management (DBM), (2) Department of Business and Economic Development (DBED), (3) Maryland Department of Transportation (MDOT), (4) Maryland Department of Planning (MDP), (5) Maryland Department of the Environment (MDE), (6) Department of Labor, Licensing and Regulation (DLLR), (7) Maryland Higher Education Commission (MHEC), (8) Maryland State Department of Education (MSDE), and (9) Department of Housing and Community Development (DHCD).

Each department provides functional area expertise and a demonstrated track record of effectively coordinating efforts with other State agencies, local government counterparts, Maryland's Federal delegation, and the military installations. In addition, the inclusion of the Special Secretary for the Governor's Office of Minority Affairs to the BRAC Subcabinet reflects the O'Malley/Brown Administration's strong commitment to involving the State's small and minority business community in procurement opportunities while also stimulating entrepreneurship that may arise from BRAC-related economic growth.

The BRAC Subcabinet established a Local Government Subcommittee to assist the coordination with local jurisdictions that provided advice in identifying and prioritizing BRAC-related projects and evaluation studies. The Local Government Subcommittee is comprised of county representatives from each of the nine affected jurisdictions (including Baltimore City) as well as municipal representatives from one town or city in each county.

The BRAC Subcabinet undertook a comprehensive process of soliciting and compiling the input, research and expertise necessary to develop an optimal action plan. First, it invited local governments and the public to participate in 10 Subcabinet meetings held between June and October 2007. The first meeting of the BRAC Subcabinet was held at the Patuxent River Naval Air Station, where the BRAC Subcabinet learned how the Southern Maryland region prepared for and successfully accommodated the creation of jobs and arrival of residents from the 1995 BRAC decision. The other nine meetings were held in each of the counties experiencing the largest BRAC-related growth. The BRAC Subcabinet also participated in the three public meetings of the Maryland Military Installation Council (MMIC) during the same time period. On November 19, 2007, the BRAC Subcabinet released a draft of the Action Plan to the public, conducted a public presentation, and solicited input for inclusion in the final Action Plan. The BRAC Subcabinet received extensive comments during the four weeks between release of the draft and completion of the final Action Plan.

Second, to learn more about the DOD's specific BRAC transition plans and to communicate the State's activities to assist this process, the BRAC Subcabinet also conducted meetings with the commands of the five gaining military installations: Aberdeen Proving Ground, Andrews Air Force Base, Fort Detrick, Fort George G. Meade and the National Naval Medical Center (Bethesda Naval Hospital). The BRAC Subcabinet also visited the U.S. Army Communications – Electronics Life Cycle Management Command at Ft. Monmouth, New Jersey and the Defense Information Systems Agency (DISA) in Northern Virginia. Ongoing meetings with the military installations and relocating commands will be part of the State's efforts to ensure that it has the most accurate metrics to plan for, implement and evaluate BRAC-related infrastructure and human capital requirements.

Lessons Learned – Patuxent River Naval Air Station

The BRAC law passed in 1995 expanded the mission at three bases in Southern Maryland. According to a 2003 report, the three bases employed more than 22,800 military personnel, civilians and contractors, with the Patuxent River Naval Air Station (Pax River) employing the most (19,200). The report also concluded that in 2003, the three bases – Pax River, Indian Head Naval Surface Weapons Center, and Naval Amphibious Base in Solomon's Island – provided nearly one of every three jobs in the Southern Maryland region and generated over \$80 million in state income and sales taxes. The same report also indicated that Pax River contributed a total of

\$33.5 million in local income-tax revenues, and the three bases contributed to 85 percent of all local taxes received by St. Mary's County through its "piggyback" tax.

The practices used to build this success in Southern Maryland during the 1990s have served as a guidebook for current practices. Among the lessons learned, are:

Intergovernmental coordination: In the 1990s, the Maryland Department of Transportation established a network of personnel to serve as liaisons with local and installation counterparts and designated one point of contact for all BRAC-related matters to avoid duplication of efforts. In this latest BRAC preparation, each of Maryland's BRAC-affected agencies has similarly designated a single person to act as a liaison with the local jurisdiction and installation to allow for communication of a consistent message from the state to its local partners. Additionally, each of the local agencies' local counterparts has identified a similar liaison to coordinate and communicate with other BRAC partners.

Continuous public outreach: In Southern Maryland, the Chamber of Commerce and other organizations visited residents who were going to be transferred to Southern Maryland. Packets of information on jobs, housing, schools, recreational opportunities, government services, history of the region and other amenities were created and distributed at meetings and other events. This initiative provided an opportunity for affected residents to obtain information on a variety of services. Today, the BRAC Subcabinet and the various agency representatives are conducting similar outreach to the community (business leaders, civic leaders, etc.), as well as employers and employees in New Jersey and Virginia. Maryland will soon open One-Stop employment centers in Northern Virginia and New Jersey to provide information for potential new Maryland families.

Recognition that infrastructure improvements are a long-term investment in the State economy: In 2005, the St. Mary's Department of Economic Development estimated that State and local governments invested over \$350 million in transportation, public and higher education, housing and other facilities to support the Navy. The State's return on investment has been seen through the creation of high-salary jobs (the median household income in the region rose from \$37,158 in 1989 to \$54,700 in 1999) and the generation of additional state and local tax revenue. The 2005 BRAC round is the single-largest contributor to Maryland's growth and development in the coming years; however, it represents only approximately 15 percent of the State's overall expansion. Due to Maryland's high quality of life and already competitive workforce, existing and planned State investments in its physical infrastructure and human capital are necessary irrespective of the growth anticipated as a result of BRAC 2005.

BRAC Subcabinet State Plan Action Items

Next week, the BRAC Subcabinet will present Governor Martin O'Malley with a final BRAC Action Plan that will maintain and enhance the State's BRAC readiness. The action plan lays out specific policies and investments that the State will pursue and develop in the coming years to accommodate a larger population and workforce. Below are several of the action items Maryland has already enacted or will pursue legislatively.

Transportation: The Maryland Department of Transportation has established a comprehensive plan to meet the State's increased needs for transportation capabilities. This plan uses an approach to project funding and delivery in which short-term, low-budget items are targeted for funding and completion prior to 2011 and long-term, high-budget items will come online over time to sustain BRAC growth.

First, Maryland will invest \$370 million over the next five years to increase capacity on the Maryland Rail Commuter (MARC) system to accommodate BRAC growth. It will add seats and trips to MARC lines and will include other conveniences for commuters such as wireless internet access. By 2015, the State will invest a total of approximately \$1 billion for expansion of MARC service to meet and sustain the long-term transportation needs of Marylanders commuting to jobs throughout the broader region, eventually extending MARC lines through Maryland to Northern Virginia and Delaware.

Second, to promote optimal use of Maryland's mass transit options, the State will consider the development of BRAC Zones that will provide incentives for both employers and workers to relocate to areas of the State, such as Baltimore City, that already possess ample infrastructure development and adequate transportation capabilities. In concert with the policies consistent with Smart Growth to accommodate and encourage growth without contributing to sprawl, BRAC Zones will also provide local jurisdictions with incentives to enhance public infrastructure, such as streets, utilities and recreation venues, in designated revitalization and redevelopment areas. These incentives will reduce development pressures outside PFAs while motivating BRAC employers and workers to relocate to desired areas.

Workforce Creation and Economic Development: The BRAC Action Plan also addresses the critical issue of ensuring that the State has a workforce pipeline adequate to meet the immediate and future needs of the incoming military missions and other BRAC-related employers. From elementary school through post-secondary education and entry into the workforce, the State has laid the ground work and begun implementation of necessary components of the training and educational services BRAC will require. For example, because many of the career paths linked to BRAC jobs require science, technology, engineering or math (STEM) education and training, Maryland has awarded local school systems \$3.6 million in STEM curriculum planning and implementation grants over the past two years. With that funding, more than 60 schools have implemented rigorous STEM programs and dozens more are in the planning phase.

In addition, Maryland has made a five-year, \$3.8 million investment in a Career and Technology Education initiative, incorporating pre-engineering, biomedical, and other BRAC-related career pathway programs in the curricula of 58 schools throughout the State. Through this substantial investment, Maryland ensures that students who so choose will be ready to become the next generation of engineers, physicists, scientists or related professionals.

Maryland's commitment to preparing its existing, emerging, and incoming workforce does not end with secondary education. As students move from secondary schools or from out-of-state to attend Maryland's institutions of higher education, the State will take steps to facilitate that transition and to ensure that the education offered meets the needs of defense-related careers. One such effort to make higher education more accessible is already in place. The University

System of Maryland and Morgan State University have waived the residency requirement for in-state tuition eligibility for BRAC installation employees and their families relocating to Maryland.

In addition, a BRAC Higher Education Fund will be developed to assist institutions of higher education in efforts to remain current and competitive in technology, R&D and related fields. Institutions will be able to compete for additional funding for defense-related training and educational programs. They will have the flexibility to develop new programs collaboratively with military partners and to offer them through distance education to maximize accessibility for BRAC installation personnel. The Fund will also be available for infrastructure improvements such as the development or expansion of regional centers of higher education.

Maryland's Department of Labor, Licensing and Regulation (DLLR) is putting several measures in place to maximize the number of workers that follow their jobs to Maryland through BRAC. The agency has funded one-stop transition centers at Ft. Monmouth, New Jersey and at the Defense Information Systems Agency (DISA) in Virginia. Workforce professionals staff each center and help with a range of services for workers who wish to transfer to Maryland including spousal and family employment, education and training, and housing and transportation information.

Since many of the workers considering relocation have spouses and families, DLLR is undertaking several initiatives to serve spouses and families in addition to the transferees themselves. Collaborating with regional partners, DLLR will host Job and Spousal Reemployment Fairs and will continue to work to identify and remove obstacles to smooth job transition for spouses. For example, DLLR will ensure that a spouse who works in a profession that requires a license, such as cosmetology, architecture, engineering or home inspection, will be able to transfer that license to Maryland without administrative impediments. The Department will designate a BRAC liaison to assist these spouses with any licensing issues to ensure a streamlined process.

Often serving as the innovative engines of the economy, small and minority businesses will provide a critical contribution to the State's overall procurement and service needs that result from BRAC. Therefore, the State will conduct an economic development impact study to examine whatever barriers to access may exist for the small and minority business community and to develop the tools necessary to promote and sustain this community's full access to BRAC-related economic opportunity. One such effort is being led by the Maryland Technology Development Corporation (TEDCO), which has authorized \$375,000 in additional funding for entrepreneurs who are transferring or commercializing technology from Fort Monmouth, DISA or other BRAC-related defense organizations.

Education: In addition to the BRAC Higher Education Fund, the Maryland Higher Education Commission (MHEC) will conduct a feasibility study for the creation of a regional higher education and R&D center to deliver higher education services to the Aberdeen Proving Ground military personnel, contractors, and surrounding community. The center should be open to all Maryland higher education institutions offering programs needed in the region. The feasibility study will consider several models, notably that which is employed by the Southern Maryland

Higher Education Center near Patuxent Naval Air Station. It will consider a governing structure that may include representation of the regional local governments of Harford, Cecil, and Baltimore counties and Baltimore City.

The study will also determine the facility needs for the Aberdeen region, taking into consideration not only the need for instruction, but also the need for technology transfer and R&D activities linking public and independent universities to military contractors. All capital construction requests will be reviewed after the feasibility study is completed.

While not part of the Aberdeen feasibility study, MHEC will explore establishing a Frederick Regional Higher Education Center to assure the delivery of needed higher education services to the Ft. Detrick region. The creation of this center would recognize the growing importance of Ft. Detrick to the economy of Frederick County and western Maryland. It would also respond to the increasing importance of bioscience research and industry in the Frederick/Ft. Detrick region.

Moreover, MHEC will coordinate the development of memoranda of understanding between Maryland and New Jersey universities to facilitate the transfer of credit for incoming BRAC-related personnel in programs they have already begun, especially at the graduate level. MHEC will undertake these negotiations in order to address any concerns that employees will be reluctant to move to Maryland if they are required to begin their graduate education again because of the lack of transfer of academic credit

Throughout the pre K–12 continuum, Maryland will continue to increase instructional rigor and improve students' capacity to succeed in challenging coursework. Maryland State Department of Education (MSDE) will expand pre-kindergarten programs in child care centers and work with school systems to expand their charter and magnet schools. The State will support school systems as they increase AP course offerings and enrollment and open more International Baccalaureate schools.

MSDE will also invest in programs that prepare students specifically for college and careers, especially those in high-demand, BRAC-related industries. The State will aggressively support science, technology, engineering, and math (STEM) programs by conducting biannual meetings with each school system's STEM coordinator, holding annual STEM conferences, developing an electronic network to share best practices, and advocating for additional STEM grants.

In addition, Maryland will partner with colleges and universities, as well as the business community, to develop and support high-quality Career and Technology Education pathway programs and clusters that lead to industry certification. Working with school systems and the business community, Maryland will facilitate industry partnerships and internship/apprenticeship programs that create pathways to employment and offer high school students work-based learning opportunities. The State will support the expansion of dual-enrollment policies that allow high school students to take college courses and will facilitate partnerships among school systems and two- and four-year colleges to improve student achievement, college enrollment, and teacher development.

Maryland will support school systems' efforts to aggressively recruit highly-qualified teachers and will host a statewide teacher recruitment fair in spring 2008. The State will expand alternative certification programs, including the New Teacher Project, Teach for America, Troops-to-Teachers, and the Transition to Teaching program. Maryland will also expand the Associate of Arts in Teaching program, which creates a seamless transition from two-year to four-year teacher preparation programs in addition to launching an adjunct teacher corps program that capitalizes on the vast STEM knowledge and expertise of military professionals. MSDE will also work with the Maryland State Retirement Agency to convene an advisory council to consider legislative changes to the State Personnel and Pensions Article that would allow greater flexibility and portability of teacher pensions.

Affordable Housing: In addition to the above-referenced array of initiatives, Maryland's long-term plans include tools that contemplate leveraging existing resources to expand affordable and workforce housing opportunities. One such tool is the Workforce Housing Grant Program. The program was created by the General Assembly in 2006 to provide flexible housing grants to local governments to meet local housing needs. In return, local governments must match the funds and better incorporate housing needs into their future planning activities.

While enhancements to housing programs will assist direct and indirect populations in need of housing assistance, Maryland's neighborhood revitalization programs will play a key role in shaping the location and quality of BRAC-related growth. Maryland's investment programs provide critical resources to spur redevelopment to support residential opportunities as well as revitalize commercial corridors and older retail shopping centers that provide key services for BRAC households.

One such action item to help direct BRAC-related growth includes fully utilizing the flexible Community Legacy program that provides grants and loans to local governments and communities to achieve their revitalization priorities. Since Fiscal Year 2002, when Community Legacy was created, the Program has provided \$42 million dollars in funds that have catalyzed the generation of \$233 million in investment in 390 local revitalization and community development projects across Maryland.

Maryland BRAC Funding

During the 2007 Regular Session of the General Assembly, the State committed almost \$2 billion for BRAC-related infrastructure improvements over the next five years. In Fiscal Year 2008 alone, the State will invest \$785 million on K-12 public school and community college construction, highway improvements, transit, and waste water treatment plants in communities that will experience the most significant BRAC-related growth. Of the nearly \$2 billion committed for BRAC-related projects during the 2007 Regular Session, the State has designated more than \$900 million for transportation projects and \$800 million for the construction of educational facilities. Funding for additional BRAC-related investments will be proposed during the 2008 Regular Session.

BRAC budget items and recommendations, including local government priorities and requests for Fiscal Year 2009 are currently under consideration in conjunction with the Governor's budget development process. Generally, all operating and capital budget items proposed by the Governor for Fiscal Year

2009 will require approval by the General Assembly during the 2008 Regular Session. A similar process will occur in each subsequent Fiscal Year and BRAC-related funding will be taken under consideration as the BRAC process continues in the coming years.

With respect to the State's capital budget, the proposed Fiscal Year 2009 capital budget will include cash and bond funding for projects that will be underway in Fiscal Year 2009 and plans for the specific projects the Administration will fund in Fiscal Year 2010 – 13 (Consolidated Transportation Program (CTP) and Capital Improvement Program (CIP)). It is anticipated that substantial funding for BRAC-related transportation, school construction and other infrastructure needs will be included in the Fiscal Year 2009 capital budget and the plan for subsequent Fiscal Years.

Specifically for funding school construction, the Interagency Committee on School Construction (IAC) also has a defined process. The IAC is composed of members from MSDE, MDP, Maryland Department of General Services (DGS), and appointees from both the presiding officers of the General Assembly. At the beginning of January 2008, the IAC will present to the Board of Public Works (BPW) their funding recommendations for 75 percent of the anticipated \$300 million for proposed by the Governor for Fiscal Year 2009 school construction projects. After input from local governments and school systems, the BPW issue its decision towards the end of the month. (The remaining 25 percent of school construction funding will be presented to the BPW after the Regular Session adjourns in April 2008.) The IAC includes BRAC enrollment projections in developing recommendations for the BPW.

Conclusion

Looking ahead toward future BRAC decisions, Maryland has built a national model for BRAC-gaining states to make their own. Maryland's ability to bring local, State and Federal governments together to focus on regional priorities rather than local competitions has allowed the State to move forward in one direction toward complete readiness. In addition, the partnerships forged with the private sector, through military alliances and private partnerships, such as the Ft. Meade Alliance and the Chesapeake Science and Security Corridor, have put Maryland in the best position to welcome 28,000 new households and fill 60,000 new jobs in a relatively short amount of time.

Maryland began work early and identified those potential challenges it would need to overcome in order to create the trained workforce, build the physical infrastructure and preserve the quality of life that a larger population will require. Moreover, Maryland began the process of working vigorously to formulate practical and efficient solutions to those initial challenges, and this work continues through to today. The State's diligence thus far in preparation for the BRAC 2005 round will avoid the pitfalls faced in the past and significantly increase overall readiness. In short, Maryland is well-positioned to succeed and is ready to welcome new neighbors and new workers between now and 2011, and beyond.