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## 2011 Innovations Awards Application

**DEADLINE: MARCH 28, 2011**

ID # (assigned by CSG): 2011- \_\_\_\_\_

**Please provide the following information, adding space as necessary:**

State: **Maryland**

Assign Program Category (applicant): **Infrastructure and Economic Development**

1. **Program Name:** Maryland State Implementation of the U.S. Department of Defense (DoD) 2005 Base Realignment and Closure process through the Governor's Base Realignment and Closure (BRAC) Subcabinet
2. **Administering Agency:** Office of the Lieutenant Governor
3. **Contact Person (Name and Title):** Asuntha Chiang-Smith, / Executive Director of the Governor's Subcabinet on Base Realignment and Closure
4. **Address:** 21 State Circle, Annapolis, MD 212401
5. **Telephone Number:** (410)260-7370
6. **FAX Number:** (410) 974-2055
7. **E-mail Address:** [achiangsmith@gov.state.md.us](mailto:achiangsmith@gov.state.md.us)
8. **Web site Address:** <http://www.brac.maryland.gov/>
9. **Please provide a two-sentence description of the program.**

BRAC is a U.S. Department of Defense (DoD) process that will bring approximately 40,000 - 60,000 jobs to Maryland by September 2011 and create the foundation to support Maryland's future cyber, information technology and national security industry clusters. In order to both fulfill the obligations and reap the benefits associated with this military consolidation, the State legislature and Governor in *partnership*, created in statute the Governor's BRAC Subcabinet (Chaired by the Lt. Governor) that developed a state action plan focusing on a myriad of issues but with emphasis on (1) developing and sustaining a capable workforce pipeline and (2) creating the physical infrastructure to support growth.

10. **How long has this program been operational (month and year)? Note: the program must be between 9 months and 5 years old on March 28, 2011 to be considered.**

The program started on 10 April 2007.

11. **Why was the program created? What problem[s] or issue[s] was it designed to address?**

The stated mission of the Governor's BRAC Subcabinet is to "enable the State of Maryland to fulfill its responsibility to support our nation's defense and security efforts while maximizing the benefits and opportunities resulting from the U.S. Department of Defense's BRAC process. Through a regional approach, the Subcabinet will 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.”

The Subcabinet thus: (1) provides for horizontal coordination of state interdepartmental issues and initiatives relating to activities that support the military installations in the State affected by the BRAC Commission recommendations; (2) provides vertical coordination with local jurisdictions and federal government entities including the DoD and Congress to achieve the requisite levels of planning, coordination and cooperation amongst federal, state and local governments; (3) makes policy and budget recommendations to the Governor and General Assembly to strengthen State support of military installations in the State gaining commands due to BRAC and (4) manages the complete project life cycle of BRAC implementation for the state through its phases – initiation, planning, implementation, control and closure.

Its stated essential tasks are to “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. Also, it must 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 practice, the breadth and scope of the BRAC related issues requires a coordinated effort across ten (10) State agencies/offices and the issues involved with each (Transportation, Environment, Housing & Community Development, Economic Development, Governor’s Office of Minority Affairs, State Department of Education, Higher Education Commission, Labor/Licensing/Regulation, Planning and Budget & Management). These issues include: development of BRAC related initiatives in the areas of workforce development, Grades K through 12 and higher education, business development, community infrastructure and growth, environmental stewardship, housing, and transportation infrastructure.

12. **Describe the specific activities and operations of the program in chronological order.**

The work of the BRAC Subcabinet followed the Project Management Institute project management model: Initiate – Planning – Implementation – Control – Close. Based on this model, the activities and operations of the BRAC Subcabinet are as follows:

Initiate: The 2005 BRAC recommendations for Maryland were studied and an initial impact report was created. It was determined that the BRAC recommendations would bring about the largest single economic growth activity for Maryland since WWII, bringing 40,000-60,000 jobs to the state and 28,000 families as well. Shortly after taking office in 2007, Governor O’Malley, in working with the Maryland state legislature created the BRAC Subcabinet by law to organize and ensure the BRAC moves to the state would be achieved and maximize any and all opportunities for the state and businesses both large and small/minority/women-owned as well.

Planning: The BRAC Subcabinet arranged for ten (10) community meetings in ten different counties that have been impacted by BRAC either this round or previous rounds. These meetings occurred within the first 5 months along with meetings with military commands moving to Maryland. The Subcabinet and Lt. Governor also met with Member of Congress and community groups to gather input for the state’s action plan. In addition, county BRAC action plans were collected and evaluated to triangulate the most effective state BRAC plan. In November 2008, the BRAC State Action plan was revealed. Comments were taken by stakeholders to fine tune language in the plan and a state matrices with 353 individual action items was produced along with a narrative plan for each subcabinet agency. (The initial state action plan and annual reports indicating the year-to-year progress on the action plan can be found at: [www.brac.maryland.gov](http://www.brac.maryland.gov)).

Implementation: The action plan then was implemented by each and every state agency with the BRAC Subcabinet as the coordinating entity. Regular contact with BRAC gaining communities in the state as well as military commands continues. The Lt. Governor personally met every 6 months with

the commanders of the largest BRAC contingencies coming to the state. For the first three years, regular meetings with communities and the full BRAC Subcabinet were held to ensure that the state action plan was moving in the proper direction and aligned with the needs of both the local communities and the military commands coming to Maryland. During the 90-day legislative session in Maryland each year, legislation was introduced and passed to move forward BRAC initiatives and budgets to address the most pressing workforce pipeline and infrastructure needs. Some of these pieces of legislation include the *BRAC Community and Enhancement Act* (Senate Bill 206) and *BRAC Maryland Higher Education Grant* (House Bill 704) in the 2008 Maryland legislative session and the *Interstate Compact on Educational Opportunity for Military Children* (House Bill 257) and *Waiver of Examination Requirements-Stationary Engineers, Plumbers, Gas Fitters and HVACR Contractors* (House Bill 1452) in the 2009 session to help ease the transition of BRAC families to Maryland by enabling school credits and occupational licenses to be transferable to the state.

Control/ Quality Assurance: Shortly after the BRAC Subcabinet Action Plan was introduced, the BRACStat program was created to keep track not only of the 353 individual action items in the plan but to track incoming movement of population and businesses to the state. The BRACStat program is modeled after the highly successful STATE Stat program and brings together every quarter the ten subcabinet agencies to discuss how they are moving forward with their BRAC initiatives. For some of the infrastructure projects, such as transportation's roads or environments water and sewer projects, these templates can be complex, providing data on timeline and budget milestones. The date is provided to the BRAC Subcabinet staff two weeks in advance and is scrutinized to ensure there is not slippage in projects. In addition, the BRACStats also tracks the number of jobs as they move into different counties in the state – both direct military jobs and defense contractor jobs, as well as housing sales and school population increases by county.

Closing: As the deadline for the BRAC movements draws near (September 15, 2011), the BRAC Subcabinet is collecting information and data on best practices, strength and weaknesses in the program and local issues so that it can produce an end of program report by December 2011. In addition, it will complete an assessment of projects that still need to be completed (some transportation projects, for instance were delayed due to funding issues) and provide that information to the subcabinet agencies that will be tasked to follow out projects to their completion.

For full details on the initiatives and work of the subcabinet, including a first ever developed security clearance education program for students, an internship website for BRAC-related jobs, transportation demand management plans for each military installation and other innovative ideas, please see the annual reports for the Subcabinet found at [www.brac.maryland.gov](http://www.brac.maryland.gov).

13. **Why is the program a new and creative approach or method?**

The program itself is a creative and new entity to maximize partnerships with all levels and branches of government and maximize state interagency operation. It also spurred on new programs that are innovative themselves and which have been recognized as best practices by the National Governor's Association.

First, the BRAC Subcabinet was a creation of the partnership between the Maryland legislature and the Governor – it is the only Subcabinet specifically created to address the implementation of BRAC within a state.

Second, the BRAC Subcabinet employed a highly recognized and globally accepted project management model that is certified by the Project Management Institute (PMI – [www.pmi.org](http://www.pmi.org) ). Traditionally this model has been used for projects such as software development and construction; however, the PMI teaches that this model can be used in all fields – the work of the BRAC Subcabinet is the unusual embodiment of this model as used in implementing high level policy within a stated deadline.

Third, within its “control” or quality assurance measures, the BRAC Subcabinet work utilizes the STATE Stat model (<http://www.gov.state.md.us/statestat/>) to manage results of the project. By using a work breakdown schedule and aligning project steps to actionable items, the Subcabinet created matrices with time frames that are used not only to measure success in moving a project forward, but also moving policy forward. In addition to reviewing action items on the state action plan, BRACStats also tracks the movement of people to Maryland by geographic location, home sales, school enrollment numbers, etc.

Finally, a number of different policies have come from the BRAC Subcabinet work that truly are considered innovative. For instance, to help assist local governments with financing infrastructure needs while accommodating Smart Growth policies, the state passed legislation to create BRAC Zones. In an area where a locality designated a BRAC Zone, local government would receive a tax rebate based on the increase in assessed value for new construction or improvements on existing property within the zone. The local government would have to apply that revenue stream towards infrastructure improvement within that zone, which also has to be in a priority funding area (an area that has pre-existing water/sewer and transportation accommodations). This program has been designated a best practice by the National Governor’s Association that hosted a national mission growth work group that looked at issues and programs that would benefit states gaining populations based on BRAC decisions.

14. **What were the program’s start-up costs? (Provide details about specific purchases for this program, staffing needs and other financial expenditures, as well as existing materials, technology and staff already in place).**

The original grant from the U.S. Department of Defense, Office of Economic Adjustment, for BRAC was \$4,059,906 starting in July 2007 through December 2010. Since the BRAC Subcabinet was a new entity created by legislation and chaired by the Lt. Governor, it was not housed in any specific state department, but had to draw on the limited resources of all 10 state agencies in the Subcabinet. For instance, the Maryland Department of Economic and Business Development (DBED) had a small office to work with the military and federal government on economic development issues in specific defense business clusters.

With the DoD funding, three (3) full-time employees were hired to staff up the BRAC Subcabinet and coordinate activities across the Subcabinet agencies (positions include an Executive Director, Deputy Director and an Executive Assistant). 6.5 additional positions were provided to specific Subcabinet departments who administered programs specific to their agencies (such as transportation demand management, regional planning and addressing minority business opportunities with incoming BRAC work.) In addition, the state received a U.S. Department of Labor grant that allowed the state to hire as contractors two (2) specialists in developing labor initiatives and higher education programs to address BRAC workforce needs.

Since the BRAC Office is located in the Office of the Lieutenant Governor, office space was provided at no additional expense. \$3,679 has been spent for routine office supplies (paper, pens, etc.) and \$11,917 for office equipment, including computers, printers, and other miscellaneous equipment, over the life of the grant. Part of the process of the program required all state agencies to submit stats on their agency progress. Since not all state departments had the same software, the Subcabinet had to be able to achieve results using Microsoft Office - the “lowest common denominator” - to make sure everyone could participate (EXCEL spreadsheets instead of costly project management software).

Much of the Subcabinet work requires travel throughout the State and limited travel outside of the State. Total travel costs over the grant period have been \$8,953.

15. **What are the program’s annual operational costs?**

The Subcabinet is funded through a federal grant from the Office of Economic Adjustment (OEA), U.S. Department of Defense. A breakdown of the grant across the term of performance comes out to an annual budget of \$1,156,231.

16. **How is the program funded?**

The operation of the BRAC Subcabinet program is funded through a grant from the OEA with a required 10% State match.

Program initiatives are funded through the Maryland State Legislature annually and include the BRAC Maryland Higher Education Grants with a life span of 3 years and the BRAC Zones program with a life span of ten years from the time an award recipient applies for funding. See press release for more details on these programs: <http://www.governor.maryland.gov/ltgovernor/pressreleases/081215.asp>

17. **Did this program require the passage of legislation, executive order or regulations? If YES, Please indicate the citation number.**

The Governor's BRAC Subcabinet could have been created by an executive order by the Governor but was created in legislation as a true partnership between the legislature and the administration. Senate Bill 110 – Base Realignment and Closure Subcabinet was passed and signed into law right after the 2007 Maryland Legislative Session and the first meeting was held on 30 May 2007.

Subsequent initiatives of the Subcabinet required passage of legislation as well, including the *BRAC Maryland Higher Education Grant* program (House Bill 704) and *BRAC Community Enhancement Act* (Senate Bill 206) in the 2008 Maryland legislative session. Also, in the 2009 Maryland legislative session, Senate Bill 257 –*Interstate Compact on Educational Opportunity for Military Children* enabled Maryland to facilitate a better transition for children and families coming to Maryland due to military assignments and House Bill 1452 – *Waiver of Examination Requirements-Stationary Engineers, Plumbers, Gas Fitters and HVACR Contractors* helped ease the transition of BRAC families to Maryland by enabling certain occupational licenses to be transferable to the state.

18. **What equipment, technology and software are used to operate and administer this program?**

The program is administered through the use of commercial off the shelf software, laptop computers with desktop monitors, mobile phones (Blackberry), and commercially available printers and fax machines. Excel is used to monitor the progress of the State's Action Plan and commercially available software to blog relevant information at "BRAC@U."

19. **To the best of your knowledge, did this program originate in your state? If YES, please indicate the innovator's name, present address, telephone number and e-mail address.**

Yes, the State of Maryland led in the creation of a multi-agency subcabinet to address the challenges and issues resulting from the 2005 BRAC move. Governor Martin O'Malley and the Maryland State legislature were the driving force to create the Subcabinet and Lt. Governor Brown is appointed by law to be the Chair of the Subcabinet to ensure BRAC implementation occurs on time and on budget. The Governor can be reached at the following address:

The Honorable Martin O'Malley  
Governor  
State House  
Annapolis, Maryland 21401

He can be reached via phone/email through the BRAC Executive Director, Asuntha Chiang-Smith at:

Phone: (410) 260-7370

Email: [achiangsmith@gov.state.md.us](mailto:achiangsmith@gov.state.md.us)

20. **Are you aware of similar programs in other states? If YES, which ones and how does this Program differ?**

Maryland is unique in its creation of a Governor's BRAC Subcabinet to address challenges across multiple agencies and levels of government. According to the U.S. Department of Defense, there are some states that have Military Affairs Commissions that coordinate state and local efforts where the executive director may reach out to state offices on an ad hoc basis, but nothing like a Subcabinet where the state agencies meet regularly and are accountable for their activities as directed by state statute. (Please see National Governor's Association report on mission growth communities for additional information/verification: <http://www.nga.org/Files/pdf/0811MISSIONGROWTH.PDF>).

21. **Has the program been fully implemented? If NO, what actions remain to be taken?**

Of the 353 action items identified in the original Maryland BRAC action plan, only two will not be implemented due to the national and global economic downturn over the past few years. The first would have utilized the Maryland Housing Fund to support single family loans (the mortgage and financial industry has tightened up considerably and cannot support this program) and the second would have taken on the pension liabilities of teachers coming from out-of-state to Maryland due to family BRAC transfers (the state budget currently struggles to fund current Maryland teacher pensions and would not consider taking on additional pensions of teachers moving to the state but who have the majority of their pension in other states).

As indicated in the BRAC Action Plan, additional multi-year projects will not be fully completed by the time military BRAC moves are complete in September 2011; however, these large infrastructure projects remain on schedule and the state intends to fund them over time based on the state's "high-low" transportation strategy. The "high-low" strategy, which has been identified by the National Governor's Association as a best practice, schedules in phases high dollar, multi-year projects (such as adding additional lanes on a highway) along with low dollar, short-term projects (such as intersection improvements) that can be implemented in concert with each other instead of having all road projects commence at once (causing massive traffic jams and backups).

22. **Briefly evaluate (pro and con) the program's effectiveness in addressing the defined problem[s] or issue[s]. Provide tangible examples.**

Having followed a project management model, the effectiveness of the program can be objectively evaluated. A thorough planning process produced a very specific action plan with measureable outcomes and measurable time frames. The BRACStat process as the "control" function, can pin-point where specific action items are off track and what can be done to get them back on schedule and budget. The BRACStat program, modeled after the STATEStat and CITIStat program, created by Governor O'Malley, quarterly brings together all ten departments in the BRAC Subcabinet and allows for open discussion to ensure successful outcomes for specific action items utilizing various agencies, if necessary. For example, if a road intersection project is falling behind, the BRAC Subcabinet staff/Lt. Governor can find out why and direct the department to move more resources to that particular project. It then allows for the Subcabinet to communicate issues with its county, local and federal partners so that everyone is literally on the same page. One very specific example of the use of the Subcabinet's interagency abilities was a road project falling behind due to a slow-down in receiving an environmental permit (apparently the staff that issued the particular permit was on vacation). The BRAC Subcabinet was able to contact the Secretary of the Maryland Department of the Environment (MDE) and get MDE to issue a permit quickly once it was notified that it was holding up the time frame for a state road construction project.

One area that has been a challenge is that the BRAC Subcabinet does not have its own budget authority. Therefore it does not receive appropriations for projects or for its own operations. This has been

burdensome because if there is a problem in moving a project that is due to funding, it could be tied up in processes that are not under the authority of the Subcabinet. For instance, there may be some BRAC transportation projects that need funding, but they must compete in the state Consolidated Transportation Program (CTP), which prioritizes county concerns. Often times the decisions in the CTP are political and clash with the need for BRAC transportation project funding. Since the BRAC transportation projects do not receive separate consideration, they must be a priority of the county as well as the BRAC subcabinet before they are moved in front of the line for funding. That said, the state does have some limited authority in allocating funding. For instance, in 2009, for *new construction funding* not already allocated, the Maryland Department of Transportation decided it would allocate such funding only for BRAC projects.

23. **How has the program grown and/or changed since its inception?**

As the project has moved from the planning to implementation and control phase, and now is entering its closing phase, emphasis has been placed on various aspects of the program. For instance, while in the planning and initial implementation phase, state legislation to create tools to help implement the programs (such as BRAC Higher Education Grants and BRAC Zones) was critical and required much thought and coordination with the state legislature. As we move towards the closing of the program, new programs are not needed, but rather budget and policy enhancements to initiatives already enacted are more of a focus.

In addition, as populations now are entering the state, it is clear that some of the planning numbers are skewed. This is especially true since the planning reports were conducted in 2005-2006, prior to the economic recession and workers are now moving in waves into the state (since 4<sup>th</sup> quarter of 2010) during a time where the housing market is sluggish and employees find it hard to sell houses in other states to buy in Maryland. What we are seeing is that employees are waiting to buy in Maryland, but are commuting longer distances to work in Maryland. This has put additional strains on the roads that must be mitigated (the state has started Transportation Demand Management agreements and programs to address some of these needs).

One positive upshot is that the need for growth outside the military installations is better triangulated with the incoming populations. We are finding that workers moving to the North East and Western areas of the state are seeking higher education degrees, which opens up opportunities for institutes of higher education to expand. We also see the need for additional conference/meeting spaces as these areas around Aberdeen Proving Ground and Ft. Detrick continue to expand.

Finally, as military Centers of Excellence and the Cyber Command arrive to Maryland, other additional military operations are looking to move to Maryland, beyond the BRAC moves. With these military research and development operations also comes the trail of defense and information technology companies that will spur private sector development and investment in the state. This is creating an opportunity for the state to develop a new industry cluster in information technology/cyber security that had limited reach prior to BRAC 2005.

24. **What limitations or obstacles might other states expect to encounter if they attempt to adopt this program?**

Some of the obstacles that states will encounter and will have to overcome are:

1. The ability to unite the political will of the executive branch and legislature to consolidate coordination functions with a single entity. In Maryland, the Governor and the leadership in the legislature currently are of the same political affiliation and have similar views on how to solve problems as well as desired similar outcomes.
2. The need for executive leadership that drives the program and mitigates any internal issues. Since the BRAC Subcabinet falls under the Chairmanship of the Lt. Governor, he acts as the

leadership from the executive branch that encompasses all ten subcabinet agencies. In addition, he is high enough in rank to speak for the administration when dealing with individuals from other levels of governments. He is able to direct state agencies when there are discrepancies or varying points of views.

3. The need for dedicated staff to work the day to day operational needs and who also have expertise in project management and inter-agency coordination. The DoD provided funding for dedicated positions; however, it was something that remained tenuous from year to year. In addition, it was clear that while it was helpful to have staff that were familiar with military protocol and workings, it was even more helpful to have staff that understood how state government worked and how to manage project timelines and resources to produce clear, effective outcomes.
4. Funding challenges to meet state and local infrastructure needs, particularly transportation. In the past, the DoD has completely relied on local and state government to meet infrastructure needs to accommodate military populations moving into and out of states. This includes transportation updates, water/sewer improvements as well as school and housing construction. With the latest recession and global economic downturn, it is clear that the DoD cannot rely on local government funding to completely meet needs in a short time frame. A collaborative approach both in policy and funding needs to be truly enacted between states and the DoD, especially in the area of transportation. This codependent aspect was studied and documented in a report released last month (February 2011) by the National Academy of Sciences: <http://www8.nationalacademies.org/onpinews/newsitem.aspx?RecordID=13104>

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## 2011 Innovations Awards Application Program Categories and Subcategories

Use these as guidelines to determine the appropriate Program Category for your state's submission and list that program category on page one of this application. Choose only one.

### *Infrastructure and Economic Development*

- Business/Commerce
- Economic Development
- Transportation

### *Government Operations and Technology*

- Administration
- Elections
- Information Systems
- Public Information
- Revenue
- Telecommunications

### *Health & Human Services*

- Aging
- Children & Families
- Health Services
- Housing
- Human Services

### *Human Resources/Education*

- Education
- Labor
- Management
- Personnel
- Training and Development
- Workforce Development

### *Natural Resources*

- Agriculture
- Energy
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- Environmental Protection
- Natural Resources
- Parks & Recreation
- Water Resources

### *Public Safety/Corrections*

- Corrections
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