



City of Austin

P.O. Box 1088, Austin, TX 78767-1088

February 10, 2020

The Honorable Jane Nelson
Chair, Senate Committee on Finance
P.O. Box 12068
Austin, TX 78711-2068
Via E-Mail: stephanie.hoover_sc@house.texas.gov

Re: City of Austin Support for DEAAG Appropriation

Chair Nelson and Members of the Senate Committee on Finance:

I am writing to express the City of Austin's support for the appropriation of \$30 million in the base budget of the Fiscal Year 2022-2023 General Appropriations Act (Senate Bill 1) for the Defense Economic Adjustment Assistance Grant (DEAAG) program in Article I, Trusteed Programs Within the Office of the Governor. We urge you to maintain this critical funding throughout the appropriations process to ensure DEAAG funding remains stable and unchanged as it has been a large component of the Army Futures Command's (AFC) success here in Austin.

Since Austin was chosen to headquarter the AFC in 2018, the Command has been the beneficiary of 2 DEAAG grants that have amplified AFC's operations and bolstered Austin's economic success. The first grant, in the amount of \$2 million, provided funds for AFC to build a Secure Compartmented Information Facility, which is a classified communications center. The second, in the amount of \$4.98 million, created a Software Factory and Innovation Center in partnership with Austin Community College. This grant provided an avenue for approximately 300 soldiers to come to Austin for training on coding that will assist the Army in developing faster ways to make adjustments and repairs to systems in the field and further provide quicker reactionary times to hostile situations. Combined, the \$6.9 million in DEAAG for the AFC has leveraged an additional \$35 million in grants from the U.S. Department of Defense and local partnerships.

The inclusion of the \$30 million in the base budget of SB 1 demonstrates the Legislature's commitment to be active partners in one of the state's preeminent job-protecting and job-producing industries. According to the Texas Comptroller of Public Accounts, it is estimated that the AFC contributed \$359 million to the Texas economy, and has created 2,342 direct and indirect jobs^{1,2}. Based on this data alone, it is clear the AFC is an economic driver for the Austin community and the state as a whole. Now more than ever, it is important that the legislature continue support for programs like DEAAG that create jobs and support economic success and recovery in our state.

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1. <https://comptroller.texas.gov/economy/economic-data/military/futures.php>
 2. <https://gov.texas.gov/uploads/files/organization/military/TMPC-Biennial-Report-2019-2020.pdf>

We appreciate the Texas Legislature's inclusion of \$30 million for DEAAG in the base budget and urge the Legislature to ensure the funding remains unchanged and ready to be put to work at the beginning of the next Fiscal Year. The City of Austin is proud to be the headquarters for the Army Futures Command and is appreciative of the support that past DEAAG funding has provided to further its mission. DEAAG is a worthy investment to not only maintain current installations and missions, but it will aid in attracting future growth of military missions and associated military/defense industry employers that have proven to be economic boosters throughout Austin and the entire state.

Sincerely,

A handwritten signature in blue ink, appearing to be "John Whitmire", enclosed in a light blue rectangular box.

Cc: The Honorable Eddie Lucio, Jr., Vice Chair
The Honorable Paul Bettencourt
The Honorable Dawn Buckingham
The Honorable Donna Campbell
The Honorable Brandon Creighton
The Honorable Kelly Hancock
The Honorable Joan Huffman
The Honorable Lois Kolkhorst
The Honorable Robert Nichols
The Honorable Charles Perry
The Honorable Charles Schwertner
The Honorable Larry Taylor
The Honorable Royce West
The Honorable John Whitmire