

# Appendix III: Executive Order 12788, as Amended through May 2005

## EXECUTIVE ORDER 12788

THE PRESIDENT

As AMENDED

### Defense Economic Adjustment Program

By the authority vested in me as President by the Constitution and the laws of the United States of America, including 10 U.S.C. 2391 and the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990, enacted as Division D, section 4001 *et seq.*, of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101-510, and to provide coordinated Federal economic adjustment assistance necessitated by changes in Department of Defense activities, it is hereby ordered as follows:

Section 1. *Function of the Secretary of Defense.* The Secretary of Defense shall, through the Economic Adjustment Committee, design and establish a Defense Economic Adjustment Program.

Sec. 2. The Defense Economic Adjustment Program shall (1) assist substantially and seriously affected communities, businesses, and workers from the effects of major Defense base closures, realignments, and Defense contract-related adjustments, and (2) assist State and local governments in preventing the encroachment of civilian communities from impairing the operational utility of military installations.

Sec. 3 *Functions of the Defense Economic Adjustment Program.* The Defense Adjustment Program shall:

- (a) Identify problems of States, regions, metropolitan areas, or communities that result from major Defense base closures, realignments, and Defense contract-related adjustments, and the encroachment of the civilian community on the mission of military installations and that require Federal assistance;
- (b) Use and maintain a uniform socioeconomic impact analysis to justify the use of Federal economic adjustment resources prior to particular realignments;
- (c) Apply consistent policies, practices, and procedures in the administration of Federal programs that are used to assist Defense-affected States, regions, metropolitan areas, communities, and businesses;
- (d) Identify and strengthen existing agency mechanisms to coordinate employment opportunities for displaced agency personnel;
- (e) Identify and strengthen existing agency mechanisms to improve reemployment opportunities for dislocated Defense industry personnel;

(f) Assure timely consultation and cooperation with Federal, State, regional, metropolitan, and community officials concerning Defense-related impacts on Defense-affected communities' problems;

(g) Assure coordinated interagency and intergovernmental adjustment assistance concerning Defense impact problems;

(h) Prepare, facilitate, and implement cost-effective strategies and action plans to coordinate interagency and intergovernmental economic adjustment efforts;

(i) Encourage effective Federal, State, regional, metropolitan, and community cooperation and concerted involvement of public interest groups and private sector organizations in Defense economic adjustment activities;

(j) Serve as a clearinghouse to exchange information among Federal, State, regional, metropolitan, and community officials involved in the resolution of community economic adjustment problems. Such information may include, for example, previous studies, technical information, and sources of public and private financing;

(k) Assist in the diversification of local economies to lessen dependence on Defense activities;

(l) Encourage and facilitate private sector interim use of lands and buildings to generate jobs as military activities diminish;

(m) Develop ways to streamline property disposal procedures to enable Defense-impacted communities to acquire base property to generate jobs as military activities diminish; and

(n) Encourage resolution of regulatory issues that impede encroachment prevention and local economic adjustment efforts.

Sec. 4. *Economic Adjustment Committee.*

(a) *Membership.* The Economic Adjustment Committee ("Committee") shall be composed of the following individuals or a designated principal deputy of these individuals, and such other individuals from the executive branch as the President may designate. Such individuals shall include the:

- (1) Secretary of Agriculture;
- (2) Attorney General;
- (3) Secretary of Commerce;

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- (4) Secretary of Defense;
- (5) Secretary of Education;
- (6) Secretary of Energy;
- (7) Secretary of Health and Human Services;
- (8) Secretary of Housing and Urban Development;
- (9) Secretary of Interior;
- (10) Secretary of Labor;
- (11) Secretary of State;
- (12) Secretary of Transportation;
- (13) Secretary of Treasury;
- (14) Secretary of Veterans Affairs;
- (15) Secretary of Homeland Security;
- (16) Chairman, Council of Economic Advisers;
- (17) Director of the Office of Management and Budget;
- (18) Director of the Office of Personnel Management;
- (19) Administrator of the Environmental Protection Agency;
- (20) Administrator of General Services;
- (21) Administrator of the Small Business Administration; and
- (22) Postmaster General.

(b) The Secretary of Defense, or the Secretary's designee, shall chair the Committee.

(c) The Secretaries of Labor and Commerce shall serve as Vice Chairmen of the Committee. The Vice Chairmen shall co-chair the Committee in the absence of both the Chairman and the Chairman's designee and may also preside over meetings of designated representatives of the concerned executive agencies.

(d) *Executive Director.* The head of the Department of Defense's Office of Economic Adjustment shall provide all necessary policy and administrative support for the Committee and shall be responsible for coordinating the application of the Defense Economic Adjustment Program to Department of Defense activities.

(e) *Duties.* The Committee shall:

- (1) Advise, assist, and support the Defense Economic Adjustment Programs;
- (2) Develop procedures for ensuring that State, regional, and community officials, and representatives of organized labor in those States, municipalities, localities, or labor organizations that are substantially and seriously affected by changes in Defense expenditures, realignments or closures, or cancellation or curtailment of major Defense contracts, are notified of available Federal economic adjustment programs; and
- (3) Report annually to the President and then to the Congress on the work of the Economic Adjustment Committee during the preceding fiscal year.

*Sec. 5. Responsibilities of Executive Agencies.*

(a) The head of each agency represented on the Committee shall designate an agency representative to:

- (1) Serve as a liaison with the Secretary of Defense's economic adjustment staff;
- (2) Coordinate agency support and participation in economic adjustment assistance projects; and
- (3) Assist in resolving Defense-related impacts on Defense-affected communities.

(b) All executive agencies shall:

- (1) Support, to the extent permitted by law, the economic adjustment assistance activities of the Secretary of Defense. Such support may include the use and application of personnel, technical expertise, legal authorities, and available financial resources. This support may be used, to the extent permitted by law, to provide a coordinated Federal response to the needs of individual States, regions, municipalities, and communities adversely affected by necessary Defense changes; and

- (2) Afford priority consideration to requests from Defense-affected communities for Federal technical assistance, financial resources, excess or surplus property, or other requirements, that are part of a comprehensive plan used by the Committee.

*Sec. 6. Judicial Review.* This order shall not be interpreted to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, its agents, or any person.

*Sec. 7. Construction.* (a) Nothing in this order shall be construed as subjecting any function vested by law in, or assigned pursuant to law to, any agency or head thereof to the authority of any other agency or officer or as abrogating or restricting any such function in any manner.

(b) This order shall be effective immediately and shall supersede Executive Order No 12049.

GEORGE BUSH  
THE WHITE HOUSE  
January 15, 1992.

[Amended 2/28/03 by President George W. Bush, E.O. 13286]  
[Amended 5/12/05 by President George W. Bush, E.O. 13378]