Department of Defense Directive

SUBJECT: Office of Economic Adjustment

References: (a) Executive Order 12049, "Defense Economic Adjustment Programs," March 27, 1978 (43 FR 13363)
(b) DoD Directive 5410.12, "Economic Adjustment Assistance to Defense-Impacted Communities," April 21, 1973

A. PURPOSE

1. Pursuant to the authority vested in the Secretary of Defense under the provisions of title 10, United States Code, this Directive establishes the Office of Economic Adjustment (hereafter referred to as the "OEA") with responsibilities, functions, authorities, and relationships as stated below.

2. "Economic Adjustment" as used in this Directive refers to responsibilities of the Secretary of Defense under Executive Order 12049 (reference (a)), and related responsibilities stated in DoD Directive 5410.12 (reference (b)).

B. MISSION

The OEA shall:

1. Plan, direct, coordinate, and manage economic adjustment programs to alleviate serious social and economic impacts that may result from major changes in DoD activities.

2. In cooperation with DoD Components, identify proposed changes that could result in adverse local impacts, and encourage local officials to initiate early economic adjustment planning on a contingency basis.

3. Upon request, and in coordination with appropriate local, State and Federal agencies, assist community officials to develop and implement feasible adjustment plans that will alleviate the impact of DoD actions.
4. Support the Secretary of Defense as chairperson of the Economic Adjustment Committee (EAC) (reference (a)), and serve as the permanent staff for the community assistance activities of the EAC. In this capacity, arrange meetings, conduct studies, develop recommendations, prepare reports, and initiate other appropriate staff actions.

C. ORGANIZATION AND MANAGEMENT

1. The OEA is established as a field activity of the Office of the Secretary of Defense, under the authority, direction and control of the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) (hereafter referred to as the "ASD(MRA&L)". It shall consist of a Director and subordinate organizational elements established by the Director within resources authorized by the Secretary of Defense.

2. The Director, OEA, is also designated as the Assistant to the ASD(MRA&L) for Economic Adjustment, and as Executive Director of the Economic Adjustment Committee.

D. RESPONSIBILITIES AND FUNCTIONS

1. The Director, OEA, shall:

   a. Serve as the principal staff adviser to the ASD(MRA&L) on economic adjustment program matters.

   b. Organize, direct, and manage the OEA and all resources assigned to the OEA.

   c. Design, establish, and manage a Defense Economic Adjustment Program to achieve the objectives and implement the provisions of Executive Order 12049 (reference (a)) and DoD Directive 5410.12 (reference (b)).

   d. Monitor program change activities of DoD Components and, as required, assist in the evaluation of possible impacts and the identification of adjustment actions that could alleviate such impacts.

   e. Develop and recommend strategies and action plans to lessen serious local impacts of DoD realignments, e.g., base closures, conversion of in-house activities to contract, major personnel reductions, and procurement cutbacks.

   f. Provide information and advice regarding the Economic Adjustment Program and the resources available to meet community economic adjustment needs.
agency, as appropriate, for supplies, equipment and services required to accomplish the mission of OEA. To the extent that any law or executive order specifically limits the exercise of such authority to persons at the Secretarial level of a Military Department, such authority will be exercised by the appropriate Under Secretary or Assistant Secretary of Defense.

The Director, OEA, may redelegate these authorities, as appropriate and in writing, except as otherwise specifically indicated above or as otherwise provided by law or regulation.

This delegation of authorities is effective immediately.
DELEGATION OF AUTHORITIES

Pursuant to the authority vested in the Secretary of Defense, and subject to his/her direction, authority and control, and in accordance with DoD policies, directives and instructions, the Director, OEA, or, in the absence of the Director, the person acting for him/her, is hereby delegated authority, as required in the administration and operation of OEA, to:

1. Perform the following functions in accordance with the provisions of 5 U.S.C. 7532 (1976); Executive Order 10450, as amended, 3 CFR 936 (1949-1953 Compilation), reprinted at 5 U.S.C. 7311 (1976); and the DoD Directive 5210.7:
   a. Designate any position in OEA as a "sensitive" position;
   b. Authorize, in case of an emergency, the appointment of a person to a sensitive position in OEA for a limited period of time for whom a full field investigation or other appropriate investigation, including the National Security Check, has not been completed; and
   c. Authorize the suspension, but not including termination of the services of an employee in the interest of national security in positions within OEA.


4. Authorize the publication of advertisements, notices, or proposals in public periodicals, as required for the effective administration of OEA pursuant to 44 U.S.C. 3702 (1970).

5. Establish and maintain, for the functions assigned, an appropriate publications system for the promulgation of regulations, instructions and reference documents, and changes thereto, pursuant to the policies and procedures prescribed in DoD Directive 5025.1.

6. In coordination with the DASD(Administration), enter into support and services agreements with the Military Departments, other DoD Components or other Government agencies, as required for the effective and efficient performance of responsibilities and functions assigned to OEA.

7. Enter into and administer contracts through the DASD(Administration) or with his/her approval, directly or through a Military Department, a DoD contract administration services component, or other Government department or
g. Plan, organize, coordinate, and administer economic adjustment assistance projects for communities, areas, and States adversely affected by DoD realignment actions.

h. Assist local communities, areas, or States in expanding public service facilities to meet requirements generated by major expansions or the establishment of new DoD installations.

i. Provide technical advice and assistance to Defense-dependent communities in efforts to diversify their economic base, reduce their vulnerability to change, and minimize the possible impact of future cutbacks.

j. Evaluate DoD Economic Adjustment Program effectiveness.

k. Develop, propose, and implement program improvements.

l. Perform such other economic adjustment functions as may be assigned by the ASD(MRA&L).

2. The ASD(MRA&L) shall:

a. Recommend to the Secretary of Defense policies for the administration of economic adjustment programs.

b. Provide policy guidance and management direction to the Director, OEA.

E. RELATIONSHIPS

1. In the performance of assigned functions, the Director, OEA, shall:

   a. Establish and maintain effective liaison with DoD Components (and, after appropriate notification, with subordinate commands and installations, as required) for the timely exchange of information, and the coordination of realignments and economic adjustment plans and actions.

   b. Establish and maintain effective liaison with Federal domestic agency members of the EAC at headquarters and regional levels for timely exchange of information and the development, coordination, and support of economic adjustment assistance plans and actions.

   c. Use established facilities and services in the DoD and other governmental agencies whenever practical to achieve maximum efficiency and economy.
2. Heads of DoD Components shall provide timely information and
technical support to the Director, OEA, on matters within their
respective fields of responsibilities and as may be necessary to
carry out effectively the assigned responsibilities and functions
of OEA.

F. AUTHORITY

The Director, OEA, is specifically authorized to:

1. Obtain such information, advice, and assistance from other
   DoD Components as considered necessary, consistent with the policies
   and criteria of DoD Directive 5000.19 (reference (c)).

2. Communicate directly with appropriate personnel in the
   Military Departments and other DoD Components on matters related to
   OEA responsibilities and functions.

3. Exercise the administrative authorities contained in enclo-
   sure 1 of this Directive.

G. ADMINISTRATION

1. The Director, OEA, shall be designated by the ASD(MRA&L).

2. The OEA shall be authorized such personnel, facilities, funds,
   and other administrative support as the Secretary of Defense considers
   necessary.

3. The Secretaries of Military Departments shall assign military
   personnel to the OEA within approved authorizations, and in accordance
   with established procedures for assignment to joint duty.

4. Administrative support required for the OEA will be provided,
   through support and service agreements, by other DoD Components.

H. EFFECTIVE DATE

This Directive is effective immediately.

CHARLES W. DUNCAN, JR.
Deputy Secretary of Defense

Enclosure - 1
Delegation of Authorities