

# Congress of the United States

Washington, DC 20510

June 21, 2018

The Honorable Mark T. Esper  
Secretary of the Army  
1400 Defense Pentagon  
Washington, D.C. 20310-1400

Dear Secretary Esper:

We write in support of the Austin Mega Region as the future basing location for the Army Futures Command. In addition to playing a crucial role in Texas's long history of supporting our nation's military and serving all visitors with a spirit of warmth and hospitality, the Austin Mega region is one of the fastest growing communities in the United States. Its quality of life is virtually without equal, and it has top-tier academic institutions like the University of Texas, as well as a world-class technology corridor – nicknamed “Silicon Hills” – that is a mecca for innovative startups and technology leaders.

With approximately 6,500 high-tech companies, the Austin innovation ecosystem has a robust collection of 36 incubators and accelerators, including veteran-focused Bunker Labs, to help entrepreneurs found, nurture, and grow companies. In Texas, beta testing – a crucial phase of software and product development – occurs faster than at any other site in the United States. Austin has the second-largest volume of patents issued per capita with its close proximity to a U.S. Patent and Trademark Office located north in Dallas. In 2016, local, state and national venture capitalists invested \$834.1M into the Austin-based innovation ecosystem, and our mega region represents approximately ten percent of the country's deployed angel capital.

The Austin tech sector already has close ties to the U.S. Armed Forces. Austin hosts some of the U.S. military's newest innovative research and development investments. The Defense Innovation Unit Experimental (DIUx) opened in the fall of 2016 to accelerate Army procurement innovation. To date, DIUx contracts with over 40 companies to offer solutions in a variety of areas—from autonomy and AI, human systems, IT, and space. These are all fields that will redefine operations across domains and change the modern battlefield in profound ways. Additionally, the Army Research Lab South (ARL-S) opened in November 2016. Partnered with the University of Texas at Austin, ARL-S leverages regional expertise and facilities throughout the south-central Texas region to accelerate discovery, innovation, and transition of science and technology in support of the Department of Defense's Third Offset Strategy and the Army of 2050. Finally, the Air Force hosts what is known as “AFWERXs” at the incubator/accelerator Capital Factory in downtown Austin—an efficient, low-cost model to engage entrepreneurs in Air Force programs.

With this innovative environment, multiple active and reserve military innovation units are strongly considering establishing or relocating to the Austin region today. It already hosts the

Army Medical Center; and we believe the Army Futures Command will be the next great addition.

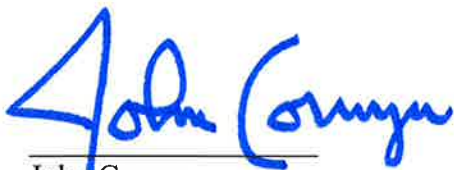
Moreover, the Austin Mega Region boasts tremendous talent, which will be instrumental in recruiting and retaining the next generation of innovative minds. Approximately 17,000 students from the Austin Mega Region graduate with degrees in STEM fields annually, enabling the Army's access to a well-qualified, diverse, and talented workforce. Our internationally-acclaimed research facilities at the university systems of Texas A&M, Texas Tech University, and the University of Texas address all of the Army's modernization needs. The Governor's University Research Initiative will allow Texas to continue to attract additional global research leaders, and the university-affiliated STAR Park at Texas State and Austin Technology Incubator at UT-Austin will help move innovation out of the classroom and into practice faster.

The Texas and Austin Mega Region's quality of life is compatible with the U.S. Army. We have approximately 340,000 veterans in the Austin Mega Region and nearly 1.5 million veterans across the state. The Hazelwood college scholarship—a major investment by the State of Texas—provides free university tuition for soldiers, their spouses and their children. We provide our veterans competitively-priced loans for real estate through the General Land Office and honor our disabled veterans by providing reduced property taxes and the free use of toll roads. For Army families, the Texas public school system boasts the third-highest graduation rate in the country, allowing members to relocate with the assurance that their children will be provided a quality education.

Finally, Texas is one of the few states with no individual income tax, which will allow more U.S. Army personnel and their families to keep more of what they earn. State and local taxes are approximately 15.5% less than the national average, and are low relative to income; amounting to \$88 per \$1,000 of personal income compared to the national average of \$101 per \$1,000. Lower taxes means the greater Austin area is nationally recognized as a select location for corporate headquarters and supporting facilities. All of these conditions collectively create one of the strongest environments for U.S. business and innovation.

These unique characteristics, supported and funded in our innovation ecosystem today, can be tested and developed by our soldiers tomorrow. Texas strongly supports critical components of the U.S. Army and we sincerely hope to welcome the next Army Futures Command to Austin, Texas.

Sincerely,



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John Cornyn  
United States Senator




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Ted Cruz  
United States Senator



Roger Williams  
Member of Congress



John R. Carter  
Member of Congress



Michael McCaul  
Member of Congress



Lamar Smith  
Member of Congress



Bill Flores  
Member of Congress



Kevin Brady  
Member of Congress



Will Hurd  
Member of Congress



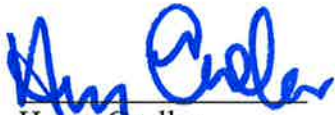
Pete Sessions  
Member of Congress



John Ratcliffe  
Member of Congress



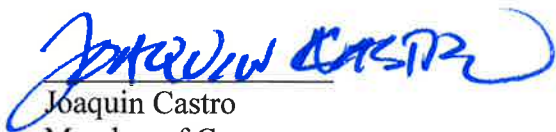
Beto O'Rourke  
Member of Congress



Henry Cuellar  
Member of Congress



Brian Babin  
Member of Congress



Joaquin Castro  
Member of Congress