

**RECORD VERSION**

**STATEMENT BY**

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**AND**

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UNITED STATES ARMY**

**BEFORE THE**

**COMMITTEE ON ARMED SERVICES  
UNITED STATES SENATE**

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**ON MILITARY HOUSING**

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COMMITTEE ON ARMED SERVICES**

Chairman Inhofe, Ranking Member Reed, and distinguished members of the Committee. Thank you for this opportunity to provide an update on actions taken by the Army since the intensive focus on Housing Operations and Oversight that began in February 2019.

I would like to reiterate the Army's serious commitment to providing safe, quality, and affordable housing to our Soldiers, Civil Servants, and their Families. It is our responsibility to provide housing, not simply to code but also to quality.

We must fix the current housing crisis using a house-to-house approach. We must also fix the governance model and address underlying issues to ensure systemic change.

Over the last ten months, we identified our governance flaws, initiated commander driven town halls and created 24-hour help lines to hear feedback directly from the families affected. We have empowered the chain of command as part of the solution, created transparency of the work order process, and ultimately, sought to regain the trust of the men and women in our ranks and their families.

We directed housing as our top Quality of Life priority and are aligning resources against it. As a demonstration of our commitment to this issue, we assigned housing operations to the 4-star commander of the Army Materiel Command, General Gus Perna, who has the delegated authority to withhold incentive fees.

We developed new incentive fee metrics measuring work order response times, work order repair quality, and resident satisfaction that will allow us to withhold fees for substandard performance. A tri-service Resident Bill of Rights is being finalized to give residents an active voice and avenues for recourse.

We are also equally concerned and committed to improving barracks and Army-owned housing. In the last two fiscal years, the Army has invested \$1.1 billion in barracks sustainment. For FY 2020, projects for new barracks will total \$790 million in R&M and MILCON.

While the Army has worked hard over the past ten months to make significant strides in the way we manage privatized housing, there is much more work to be done.

The immediate focus is to fix current housing issues that can be addressed by effective follow-through on work orders and improved management. We owe it to the forty-five percent of our force who live on post.

In addition, we need to rapidly address the needs of families who have been temporarily displaced. Across Army installations, there is a need for standard operating procedures, transparency, and accountability of claims.

This must include standardizing rent reimbursement, food cards, and remediation or replacement of household items. Since February, the Army tracked the displacement of two thousand, one hundred and fifty-five families. Currently, one hundred and ninety-eight families are still in temporary housing while privatized companies are addressing issues in their homes. These aren't simply numbers; these are lives.

Currently, we have over eighty-six thousand privatized homes; with one third of the houses in good condition; one third in fair condition, requiring minor refurbishing; and one third in poor condition needing to be rebuilt.

Right now, General Perna is working on an overall analysis of the Army's privatized housing requirements. In the spring, we plan to present the findings to the key committees of jurisdiction.

In closing, the Army is resolved in our commitment to providing safe, quality, and affordable housing to our Soldiers and their Families. But much more work remains.

#### Call to Action

- We need Congressional help in two areas. First, we need the NDAA approved to enact items such as the Resident Bill of Rights. Second, we need a final FY 2020 appropriations bill to continue immediate housing improvements. Thank you and I look forward to answering your questions.