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Military Housing

The Department of Defense (DOD) provides housing to active-duty servicemembers as a component of service agreements and compensation packages. DOD considers housing to be an important quality-of-life factor, in part because it impacts recruitment and retention. DOD provides housing benefits based on three factors: (1) the location of a servicemember's current duty station, (2) the servicemember's current pay grade, and (3) whether a servicemember has dependents. Servicemembers without dependents can be assigned to "Unaccompanied Housing," and those with dependents can be assigned to "Family Housing." Many military installations have government-owned and -operated housing facilities. Individual installation commanders have broad discretion for the assignment of servicemembers to on-base, government-owned housing. Servicemembers who are not assigned to on-base housing are typically eligible for a housing allowance that they can use to rent or buy a home off-base in the private-sector housing market.

DOD makes military housing policy based on the United States Code with input and oversight from Congress and in accordance with numerous relevant statutes. DOD draws funding for military housing programs from various accounts across the DOD budget, including Military Construction (MILCON), Operation & Maintenance (O&M), and Military Personnel (MILPERS) accounts. Military housing policies and budgets are typically authorized in the annual National Defense Authorization Acts (NDAAs). Funding is appropriated in the annual Defense Appropriation Acts and in the Military Construction, Veterans Affairs, and Related Agencies Acts (MILCON-VA Acts).

The majority of servicemembers, about 58%, receive a tax-free housing allowance and obtain housing from the local housing market outside of their military installation. The housing allowance, usually known as a Basic Allowance for Housing (BAH), is calibrated for specific locations and is intended to cover most of the estimated local housing expenses in the civilian housing market where the servicemembers are assigned for duty. DOD conducts market research and adjusts BAH payments annually to accommodate changes in the cost of housing in markets across the country. Also, DOD and Congress set BAH policies to determine whether the BAH payments will cover the entirety of estimated housing costs for servicemembers or whether servicemembers will be expected to pay a certain portion of their housing costs with out-of-pocket cash. Current BAH policy provides monthly payments intended to cover about 95% of estimated housing costs. In some locations, some military families and some DOD officials have raised concerns about whether the BAH rates for that particular location are sufficient to afford adequate housing. Some Members of Congress, senior DOD leaders and certain military servicemembers have voiced concerns about the quality, availability, and affordability of housing for service members on base and in communities surrounding some military installations.

Since the 1990s, the military services have developed privatized housing projects at installations across the United States. Collectively known as the Military Housing Privatization Initiative (MHPI), this program is based on unique statutory authorities and allows the military departments to enter into business agreements with privatized housing companies for long-term leases (usually 50 years) for certain existing military housing facilities on military property. The housing companies agree to construct, renovate, maintain, and operate housing facilities for service members in exchange for rental payments in the form of housing allowance allotments from the servicemembers who reside in the housing projects. Since 2020, Congress has legislated new oversight authorities and budget appropriations to ensure the quality of privatized housing facilities and the long-term financial health of the housing projects.

Congress and DOD rely on a mix of housing—government-owned housing on base, privatized housing projects on military property, and off-base housing funded with servicemembers' housing allowances—to provide for DOD's collective housing needs. Congress exercises oversight over military housing and has legislated reforms over various aspects of DOD housing programs.

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Introduction

The Department of Defense (DOD) provides on-installation / on-base housing or housing allowances to active-duty servicemembers as a component of service agreements and regular military compensation.¹ DOD considers housing to be important in recruitment and retention and provides housing benefits based on three factors – a servicemember’s pay grade, the location of their duty assignment, and whether a servicemember has dependents (e.g., a spouse and/or children). The availability of on-base housing at particular locations may also influence housing assignments.

Congress considers military housing policies and programs as part of the annual budget authorization and appropriations process. Military housing has been a topic of increased interest for Congress since 2019, partly due to reports of poor conditions in certain military housing facilities, reports that have prompted Congress to enact new oversight measures. During the same time period, Congress has also sought to address concerns from some military families and certain DOD officials about the cost and availability of off-base housing for servicemembers who receive housing allowances to rent or buy a home in the private real-estate markets near military installations.² DOD’s failure to meet its recruiting goals has intensified concerns among some Members of Congress about military housing and servicemembers’ quality of life.³

This report provides a broad overview of DOD’s military housing programs, how they are funded, and related congressional oversight issues.

Background

DOD relies on three primary housing programs to support its housing commitments. These housing programs include:

- **Government Housing.** The Military Departments use military construction (MILCON) funds appropriated by Congress to build barracks and other housing facilities on military installations.⁴ For maintenance and modernization of government housing, DOD uses Operation and Maintenance (O&M) funds. About 30% of servicemembers live in government housing.⁵
- **Basic Allowance for Housing.** For servicemembers who are not assigned to on-base government housing, DOD provides a Basic Allowance for Housing (BAH), which is a tax-free cash entitlement that enables servicemembers to rent or

¹ Regular Military Compensation is statutorily defined under 37 U.S.C. §101(25).

² For example, for selected examples of such concerns, see DOD, Secretary of Defense Memorandum, “Taking Care of Our Service Members and Families,” Sept. 22, 2022, at <https://media.defense.gov/2022/Sep/22/2003083398/-1/-1/0/TAKING-CARE-OF-OUR-SERVICE-MEMBERS-AND-FAMILIES.PDF>. Also see Blue Star Families press release, “New Survey: Military Families Face Crippling Housing, Moving Costs,” Oct. 21, 2022, at <https://www.prnewswire.com/news-releases/new-survey-military-families-facing-crippling-housing-moving-costs-301656289.html>.

³ DOD press release, “Vice Chiefs Talk Recruiting Shortfalls, Readiness Issues,” April 20, 2023, at <https://www.defense.gov/News/News-Stories/Article/Article/3369472/vice-chiefs-talk-recruiting-shortfalls-readiness-issues/>. Also see U.S. Congress, House Committee on the Armed Services, Hearing on Unaccompanied Military Housing, 118th Cong., 1st sess., September 27, 2023.

⁴ 10 U.S.C. §§ 2801 et seq. Also see CRS Report R44710, *Military Construction: Authorities and Processes*, by Andrew Tilghman.

⁵ Housing data for military populations were provided by the Office of the Assistant Secretary of Defense for Legislative Affairs to CRS, August 28, 2023, on file with author.

purchase a home in the private-sector housing markets in areas near military installations.⁶ BAH is intended to cover most of the servicemembers' housing costs.⁷ About 58% of servicemembers receive a housing allowance to rent or buy a home off base.⁸

- **Privatized Housing.** DOD maintains business agreements with private housing companies to build, restore, maintain and operate housing on leased military property. The program is collectively known within DOD as the Military Housing Privatization Initiative (MHPI).⁹ Companies receive revenue in the form of servicemembers' BAH payments. The MHPI housing companies provide and pay for maintenance at privatized housing projects. About 13% of servicemembers live in privatized housing.¹⁰

DOD houses servicemembers according to two categories: (1) unaccompanied housing for servicemembers without dependents, and (2) family housing for servicemembers with dependents. Most unaccompanied housing is provided in the form of government-owned housing, and most military family housing in the United States is provided in the form of privatized housing.

BAH is authorized for most servicemembers when they are not assigned to military-operated housing, with some exceptions.¹¹ It is common practice for the military services to assign junior enlisted service members without dependents to on-base unaccompanied housing, which is also sometimes referred to as barracks, bachelor enlisted quarters, or dormitories.¹² However, at some installations, there may not be enough housing for the entire population of junior enlisted servicemembers, in which case the installation commanders may authorize BAH for some of those servicemembers to find housing off base.¹³ Servicemembers without dependents at the paygrade of E-7 or above have the option to decline on-base housing assignments and receive a BAH to live off base.¹⁴

⁶ 37 U.S.C. §403.

⁷ The extent to which BAH covers all or only a portion of estimated local housing costs is a policy that DOD sets with input from Congress.

⁸ Housing data for military populations were provided by the Office of the Assistant Secretary of Defense for Legislative Affairs to CRS, August 28, 2023, on file with author.

⁹ 10 U.S.C., Chapter 169, subchapter IV, §§ 2871 et seq.

¹⁰ Housing data for military populations were provided by the Office of the Assistant Secretary of Defense for Legislative Affairs to CRS, August 28, 2023, on file with author.

¹¹ Exceptions for BAH authorization are outlined in 37 U.S.C. §403. Also, the *DOD Housing Manual* states that an installation commander has authority to designate unaccompanied personnel of any pay grade as “key and essential,” and to require those servicemembers to live on base and to deny those servicemembers a BAH. See *DOD Housing Manual*, DoDM 4165.63, Updated August 31, 2018, p. 23, at <https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodm/416563m.pdf?ver=2018-09-20-075812-223#page=23>.

¹² For information about the military's pay grade and rank structure, see

CRS In Focus IF10685, *Defense Primer: Military Officers* and CRS In Focus IF10684, *Defense Primer: Military Enlisted Personnel*.

¹³ Navy sailors who are at or below the pay grade of E-5 who are assigned to sea duty are not eligible for BAH and may have to live either in government unaccompanied housing, if available, or in the berthing areas of the Navy ship to which they are assigned. See 37 U.S.C. §403(f)(2).

¹⁴ 37 U.S.C. §403(e)(2).

It is DOD’s overarching policy to “rely on the private sector as the primary source of housing for accompanied and unaccompanied personnel normally eligible to draw a housing allowance.”¹⁵

One advantage to a policy of granting housing allowances for servicemembers to rent or buy homes off base is that it enables DOD in some situations to transfer groups of servicemembers from one base to another or make other changes that affect the population of military installations without resulting in immediate excesses or shortages of government-owned housing infrastructure. One potential risk of this policy may arise if the private-sector housing market surrounding a military installation does not have housing in sufficient quality or quantity to meet the needs of the military community.

The housing mix at individual military installations – i.e., the proportion of servicemembers who are living in government-owned housing, privatized military housing, or off-base private-sector housing – depends on a variety of factors, including the demographic makeup of the local military population, and the existing housing available on a particular base.

To ensure awareness of potential housing shortages in military communities, DOD is statutorily required to conduct a Housing Requirements and Market Analysis (HRMA) for each installation every five years.¹⁶ The HRMA is an analysis of the current and projected military housing requirements for an installation and both the suitability and availability of the private sector’s rental market in the surrounding community.¹⁷ These analyses help identify affordable housing shortages and inform decisionmaking.

DOD Oversight

Several DOD offices have oversight for military housing issues. The Assistant Secretary of Defense for Energy, Installations, and Environment (ASD(EI&E)) serves as the statutory Chief Housing Officer and, with support of the Deputy Assistant Secretary of Defense for Housing, oversees family housing and military unaccompanied housing under the jurisdiction of the DOD.¹⁸ The Under Secretary of Defense for Acquisition and Sustainment (UAS(A&S)) is responsible for overall oversight of DOD property, including housing facilities.¹⁹ The Under Secretary of Defense for Personnel and Readiness is responsible for determining housing allowance rates and monitoring morale issues across the force.²⁰

The military services provide managerial oversight of their respective components’ housing programs to ensure that service members and their families have adequate housing choices.²¹ Individual installation commanders have broad responsibilities and authorities to oversee and manage housing at the installation level.

¹⁵ Department of Defense, *DOD Housing Management*, DOD Manual 4165.63, October 28, 2010, incorporating Change 2, August 31, 2018, p. 1, at <https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodm/416563m.pdf?ver=2018-09-20-075812-223> (Henceforth DODM 4165.63).

¹⁶ P.L. 117-263 §2821 and 10 U.S.C. §2837

¹⁷ DODM 4165.63, p.10.

¹⁸ 10 U.S.C. §2851a.

¹⁹ 10 U.S.C. §133b.

²⁰ U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, p. 5, at <https://www.gao.gov/products/gao-23-105797>.

²¹ DODM 4165.63, p. 10, at <https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodm/416563m.pdf?ver=2018-09-20-075812-223#page=17>.

Aspects of the operation and oversight of military housing are outlined in various statutes (Table 1)




Table 1. Selected Military Housing-Related Statutes

Statute	Related Housing Issue
37 U.S.C. § 403	Basic Allowance for Housing
10 U.S.C. §1055	Waiver of security deposits for members renting private housing;
10 U.S.C. §1056	Relocation assistance programs
10 U.S.C. Chapter 169, Subchapter I (§§2801 et seq)	Military Construction
10 U.S.C. Chapter 169, Subchapter II (§§2821 et seq)	Military Family Housing
10 U.S.C. Chapter 169, Subchapter IV (§§2871 et seq)	Military Housing Privatization Initiative
10 U.S.C. Chapter 169, Subchapter V (§§2890 et seq)	MHPI Tenant Bill of Rights
10 U.S.C. §2832	Homeowners Assistance Program
10 U.S.C. 2836	Military housing rental guarantee program
10 U.S.C. §2837	Housing Requirements and Market Analysis (HRMA)

Source: U.S. Code

Figure 1. Housing Benefits and Types of Housing

DOD relies on three types of housing to provide servicemembers' benefits.

Housing Benefits	Types of Housing		
	Government-owned	Privatized	Off-base
Unaccompanied Housing 	Almost all unaccompanied housing is government-owned and -operated	The Army supports five and the Navy supports two privatized unaccompanied housing projects	Unaccompanied servicemembers at the rank of E-7 and above may opt to receive a housing allowance to live off base
Family Housing 	On-base family housing overseas is government-owned and -operated	Almost all family housing in the United States is operated by privatized housing companies	Servicemembers with dependents can in most instances opt to receive a housing allowance and live off base
Basic Allowance for Housing 	Servicemembers assigned to government-owned housing on base do not receive a full BAH	BAH is paid directly to housing companies on behalf of servicemembers who live in privatized housing	BAH is intended to cover about 95 percent of estimated local housing costs; servicemembers may have to pay any remaining housing costs with out-of-pocket cash

Source: CRS graphic.

Note: Servicemembers who are assigned to government quarters are entitled to a benefit known as “partial BAH.” See Title 37 of the U.S. Code, Section 403(0). Partial BAH is a monthly stipend; the maximum partial BAH

rates for FY2023 ranged from \$6.90 per month for the lowest-ranking servicemembers to \$50.70 monthly for the highest-ranking officers. See Defense Travel Management Office, Documents, at https://www.travel.dod.mil/Portals/119/Documents/BAH/PDF_Non-Locality-BAH-Rates/2023-Non-Locality-BAH-Rates.pdf.

Funding for Military Housing

Congress funds military housing through annual appropriations. Within DOD's framework for budgeting, funding for various housing programs is drawn from a variety of accounts, including Military Construction (MILCON), Operation and Maintenance (O&M), and Personnel (MILPERS) accounts (**Table 2**).

Table 2. Funding for Military Housing

Components of military housing programs draw on funds from across the DOD budget.
(FY2023 appropriations in thousands of dollars in budget authority)

Appropriation Legislation	Budget Account or Line Item	Purpose of Funding	FY2023 Appropriation
Military Construction, Veterans Affairs, and Related Agencies Act	MILCON, Military Construction,	Funds the construction of on-base, unaccompanied housing facilities	\$1,167,761 ^a
Military Construction, Veterans Affairs, and Related Agencies Act	MILCON, Family Housing, Construction	Funds construction of government-operated family housing at overseas bases	\$739,424 ^b
Military Construction, Veterans Affairs, and Related Agencies Act	MILCON, Family Housing, Operation and Maintenance,	Funds the operation and maintenance of government-operated family housing at overseas bases	\$1,239,970 ^c
Military Construction, Veterans Affairs, and Related Agencies Act	MILCON, Family Housing Improvement Fund	Funds oversight and operations related to privatized family housing programs	\$6,442 ^d
Military Construction, Veterans Affairs, and Related Agencies Act	MILCON, Unaccompanied Housing Improvement Fund	Funds oversight related to privatized family housing programs	\$494 ^e
Defense Appropriations Act	O&M, Facilities Sustainment, Restoration and Maintenance (FSRM)	Funds sustainment of on-base unaccompanied housing facilities	Not Available ^f
Defense Appropriations Act	Military Personnel (MILPERS), Basic Allowance for Housing	Funds the allowances provided to individual service members who live off-base and also provides funding to privatized housing companies that house servicemembers and families in MHPI projects.	\$26,800 (estimate) ^g

Source: CRS analysis of DOD budget documents and defense legislation.

Notes:

- a. The MILCON-VA appropriations acts do not identify a specific line item for unaccompanied housing construction; instead, unaccompanied housing is one type constructions project listed among many across

- the Military Department's MILCON accounts. The figure provided here is based on a CRS analysis of the DOD C-I budget document for FY2023 and a compilation of the total obligation authority for projects categorized as "Troop Housing."
- b. P.L. 117-328, Division J.
 - c. Ibid.
 - d. Ibid.
 - e. Ibid.
 - f. Funding for maintaining and renovating government-owned unaccompanied housing facilities comes from the line-item in the DOD budget for Facilities Sustainment, Restoration and Modernization (FSRM), under the service O&M accounts. FSRM appropriations provides funding for many other (non-housing) facilities across DOD. Total FSRM funding appropriated across DOD for FY2023 was \$17.4 billion; CRS cannot say exactly how much of this funding is directed specifically for housing facilities.
 - g. The BAH budget figure provided reflects DOD's reported estimate for FY2023 BAH spending. DOD press release, "DoD Releases 2023 Basic Allowance for Housing Rates," Dec. 14, 2022, at <https://www.defense.gov/News/Releases/Release/Article/3246410/dod-releases-2023-basic-allowance-for-housing-rates/>.

Figure 2. Government-owned Unaccompanied Housing



Source: A Navy barracks room located at Naval Support Activity Bahrain, in Manama, Bahrain.

Notes: U.S. Navy Photo by Navy Petty Officer 1st Class Gary Granger Jr.

Government-owned and -operated housing

DOD uses MILCON funding to build barracks and other government-owned housing on military installations. Within the DOD's budget planning process, proposals to build new government-owned housing facilities compete for priority with other MILCON projects, including runways,

piers, training facilities, administrative buildings and other structures that support military operations worldwide. Most construction projects for government-owned housing facilities require Congress to enact specific line-item authorization and appropriation for individual projects. Planning and executing MILCON projects can take five to seven years from the time a new housing requirement is identified until a housing facility is constructed and completed.²²

Government-owned and -operated housing is typically used to provide for unaccompanied housing facilities across DOD.²³ Family housing at overseas installations is also largely government-owned and -operated. Installation commanders have broad authority for the assignment and management of these housing facilities.

At some installations, DOD does not have enough unaccompanied housing on base to provide for the entire population of enlisted servicemembers who are required to live on base.²⁴ GAO estimated that the military services spent about \$1.3 billion on BAH in fiscal year 2022 to house service members required to live in barracks.²⁵

DOD maintains certain minimum standards for the configuration, privacy, condition, and health and safety issues related to what constitutes “adequate” government housing. Servicemembers may be assigned housing that does not meet the standards for adequate housing. The DOD Housing Manual states that “inadequate housing is not necessarily uninhabitable unless it has a serious health or safety deficiency.”²⁶ Thousands of servicemembers are assigned to unaccompanied housing that does not meet official standards for adequacy.²⁷

In September 2023, the U.S. Government Accountability Office released a report citing concerns and recommending additional oversight for DOD’s government-owned unaccompanied housing facilities. The GAO found DOD does not reliably assess the conditions of barracks and many of the housing facilities do not meet DOD standards and pose “potentially serious health and safety

²² CRS Report R44710, *Military Construction: Authorities and Processes*, by Andrew Tilghman.

²³ While the vast majority of privatized housing is for family housing units, DOD does operate seven MHPI projects for unaccompanied housing. The Army maintains privatized housing projects for unaccompanied personnel at five locations: Fort Irwin, California; Fort Drum, New York; Fort Liberty, North Carolina; Fort Stewart, Georgia. and Fort Meade, Maryland. The Navy maintains privatized housing projects for unaccompanied personnel at two locations: Norfolk, Virginia; and San Diego, California. See U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, p. 7, at <https://www.gao.gov/products/gao-23-105797>.

²⁴ The Army and Marine Corps usually require unaccompanied service members at the pay grade of E-5 and below to live in barracks on base. The Navy usually requires sailors to live on base if they are at the pay grade of E-3 and below or at the pay grade of E-4 and have less than four years of service. The Department of the Air Force requires Airmen and Guardians to live on base if they are at the pay grade of E-3 and below or at the pay grade of E-4 and have less than three years of service. In addition to space limitations, BAH may be provided to service members to reside in private sector housing, such as apartments, if their barracks housing is closed due to needed repairs or renovations.”

Also see U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, pp. 49-50, at <https://www.gao.gov/products/gao-23-105797>.

²⁵ U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, p. 50, at <https://www.gao.gov/products/gao-23-105797>.

²⁶ DOD Housing Manual, DoDM 4165.63, p. 23 and p. 51, at <https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodm/416563m.pdf?ver=2018-09-20-075812-223>.

²⁷ For example, the GAO reported that about 5,000 sailors and 17,000 Marines are assigned to substandard housing. See U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, p. 36, at <https://www.gao.gov/products/gao-23-105797>.

risks.”²⁸ GAO said the problems included the presence of mold, pests (including bedbugs, rodents, cockroaches, and wasps), bad odors, extreme temperatures, broken windows and door locks, broken fire alarm systems, among others.²⁹ The report cited an example of one installation where a barracks was closed in 2022 because legionella bacteria were found in the building plumbing systems.³⁰

The report also said DOD does not have complete visibility on funding for the maintenance of unaccompanied housing facilities.³¹ Congress authorizes and appropriates funds for the routine upkeep and periodic modernization of the government-owned and -operated housing.³² For unaccompanied housing facilities, these funds are provided in the DOD’s primary O&M accounts, specifically the Facilities Sustainment, Restoration, and Modernization (FSRM) line item, also known as a sub-activity group (SAG). The military services’ FSRM accounts are appropriated in Defense Appropriations Acts. This funding is appropriated for a broad range of FSRM activities, meaning that unaccompanied housing facilities must compete with all the FSRM needs of other military facilities, including those supporting direct mission operations.³³ The military services have in the past underfunded sustainment and modernization for barracks in favor of prioritizing facilities that are considered more mission-critical, such as command-and-control centers and aircraft runways.³⁴ GAO found that the military services were unable to provide details on the amount of facilities sustainment funding directed specifically to unaccompanied housing facilities.³⁵ Congress in the National Defense Authorization Act for Fiscal Year 2022 (FY2022 NDAA) enacted a temporary provision specifically directing a certain amount of FSRM funding to barracks improvement projects.³⁶

Appropriations for family housing FSRM come from the Military Construction, Veterans Affairs, and Related Agencies Act (MILCON-VA). Congress authorizes and appropriates a specific Family Housing O&M line item, which includes FSRM funding to support family housing. This dedicated appropriation is limited to use for family housing facilities.

Leased Family Housing

A small portion of housing, typically overseas family housing, is leased temporarily by the Military Departments under the authority provided in Section 2828 of Title 10 of the *U.S. Code*. The leased housing is assigned in a manner and process similar to that for government-owned housing. Funding is appropriated through the Family Housing O&M section for each Military

²⁸ U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, p. 19, 24, at <https://www.gao.gov/products/gao-23-105797>.

²⁹ Ibid. p. 20, 24.

³⁰ Ibid. p. 20.

³¹ Ibid., pp. 46-47.

³² FSRM funding for unaccompanied housing is drawn from DOD’s primary O&M accounts, which are appropriated in the annual Defense Appropriations Act.

³³ U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, pp. 45-46, at <https://www.gao.gov/products/gao-23-105797>.

³⁴ GAO, *Military Infrastructure: DOD Should Better Manage Risks Posed by Deferred Facility Maintenance*, GAO-22-10448, January 2022, highlights page, at <https://www.gao.gov/assets/gao-22-104481.pdf>.

³⁵ U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, p. 46, at <https://www.gao.gov/products/gao-23-105797>.

³⁶ Section 2814 of the FY2022 NDAA (P.L. 117-81) requires the Secretaries of the military departments to direct annual FSRM funding for improvements to military unaccompanied housing facilities in an amount equal to 5% of the estimated replacement cost of the total inventory of unaccompanied housing under the jurisdiction of the department’s secretary. The requirement shall apply for fiscal years 2022 through 2026.

Department's MILCON budget.³⁷ The Military Departments identify leased housing needs in annual budget justification documents for Congress and, once funding is authorized and appropriated, the military departments use their real property acquisition processes to lease the housing. Family housing leases generally are one-year leases that include annual renewal options (typically for a total of 3 to 5 years).³⁸ The statute directs that this authority is intended to provide leased housing to meet immediate or short-term needs; long-term requirements are generally pursued via a more permanent solution, such as military construction.³⁹

Privatized Military Housing

In 1996, Congress authorized the Secretary of Defense or the Secretary of a military department to enter into public-private ventures for military housing in a program called the Military Housing Privatization Initiative (MHPI).⁴⁰ In the following years, all three military departments initiated privatized housing programs, which involved leasing military property to private companies to operate on-base housing facilities. The MHPI program allows the military departments to issue 50-year leases to private-sector housing companies, conveying ownership of existing housing located on leased parcels of military installation land to those entities. In some instances, the MHPI companies renovate existing homes and, in others, the MHPI companies build new homes. The housing companies, in exchange for building, upgrading, and maintaining housing facilities, collect revenue in the form of BAH payments that DOD provides on behalf of the servicemembers who are MHPI tenants.⁴¹

If military families choose to seek housing in a privatized housing project, the military families get first priority over any other applicants for the housing. If for some reason the occupancy rates at the individual MHPI housing developments are low, the MHPI companies may implement so-called "waterfall policies" to fill units and derive revenue from other tenants. These policies determine priority for potential nonmilitary tenants.⁴² These policies help companies maintain occupancy rates and financial stability. The MHPI companies often rely on private-sector debt (e.g., issuing bonds) to fund capital investments. The companies typically pay off debt before allocating funding for major renovations on existing homes and building new homes, so the financial health of the MHPI companies can be correlated with the long-term quality of the homes

³⁷ See for example, of Department of the Navy, Navy Military Construction and Family Housing Budget Justification Estimates, March 2023, p. 117 of Exhibit FH-4 at https://www.secnav.navy.mil/fmc/fmb/Documents/24pres/MCON_Book.pdf#page=478.

³⁸ Correspondence with Office of the Assistant Secretary of Defense for Legislative Affairs (OASD-LA), Sept. 10, 2023, on file with author.

³⁹ 10 U.S.C. §2828(2)(A).

⁴⁰ P.L. 104-106.

⁴¹ Servicemembers signing a lease for MHPI housing can choose to make lease payments in the form of an "allotment," which provides the servicemembers BAH payment directly to the MHPI company. See DOD Financial Management Regulation DOD 7000.14-R, Volume 7A, Chapter 43, section 4-1, at https://comptroller.defense.gov/Portals/45/documents/fmr/current/07a/07a_43.pdf#page=5.

⁴² MHPI waterfall policies usually have five tiers for offering housing that is not occupied by military families; they are prioritized in the following order: unaccompanied military personnel, active National Guard and Reserve, military retirees, federal government civilians, and civilians. See Military Housing Association, Frequently Asked Questions, at <https://www.militaryhousingassociation.org/faq/>.

they manage.⁴³ The military services have implemented procedures for monitoring the financial health of privatized housing projects.⁴⁴

Selected Statutes Authorizing Military Privatized Housing Programs

In 1996, Congress granted DOD new authorities to initiate the Military Housing Privatization Initiative. The authorities are contained in Title 10, CHAPTER 169, Subchapter IV, of the *U.S. Code* and include:

- §2873. Direct loans and loan guarantees – The Secretary concerned may make direct loans to privatized housing company for the acquisition or construction of housing units that the Secretary determines are suitable for use as military family housing or as military unaccompanied housing.
- §2874. Leasing of housing – The Secretary concerned may enter into contracts for the lease of housing units that the Secretary determines are suitable for use as military family housing or military unaccompanied housing.
- §2875. Investments – The Secretary concerned may make investments in an eligible entity carrying out projects for the acquisition or construction of housing units suitable for use as military family housing or as military unaccompanied housing. The cash amount of a DOD investment may not exceed 33 1/3% of the capital cost of the project.
- §2876. Rental guarantees – The Secretary concerned may enter into agreements with housing companies to ensure the occupancy of such units at specified levels, or rental income derived from rental of such units at specified levels.
- §2877. Differential lease payments – The Secretary concerned may pay the lessor an amount in addition to the rental payments for the housing made by the members to encourage the lessor to make the housing available to members of the armed forces as military family housing or as military unaccompanied housing
- §2878. Conveyance or lease of existing property and facilities – The Secretary concerned may convey or lease [DOD] property or facilities to privatized housing companies for purposes of using the proceeds to carry out activities in support of the privatized housing programs.

Currently about 99% of military family housing in the United States is operated under the MHPI.⁴⁵ There are also seven privatized housing projects that provide unaccompanied housing (five in the Army and two in the Navy).⁴⁶ There are 14 private housing companies responsible for 78 privatized housing projects across the military; they operate a total of about 203,300 privatized military housing units.⁴⁷ About 95% of the MHPI family housing is located on military installations; about 5% is located on property outside of military installations that is either owned or leased by the MHPI companies.⁴⁸

⁴³ GAO, *Military Housing: Army Should Improve Inspection Oversight and Long-Term Capital Investment Projections*. July 2023, pp. 8-9, at <https://www.gao.gov/assets/gao-23-105983.pdf>.

⁴⁴ *Ibid.* p. 33. Also see Section 2884(c) of Title 10 of the U.S. Code, which requires the Secretary of Defense to report semiannually information about financial health and performance and the backlog of maintenance and repair.

⁴⁵ See Government Accountability Office, “Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program (GAO-23-105377),” April 20, 2023, “Highlights” page, <https://www.gao.gov/assets/gao-23-105377.pdfassets/gao-23-105377.pdf>.

⁴⁶ While the vast majority of privatized housing is for family housing units, DOD does operate seven MHPI projects for unaccompanied housing. The Army maintains privatize housing projects for unaccompanied personnel at five locations: Fort Irwin, California; Fort Drum, New York; Fort Liberty, North Carolina; Fort Stewart, Georgia. and Fort Meade, Maryland. The Navy maintains privatize housing projects for unaccompanied personnel at two locations, Naval Station Norfolk, Virginia; and Naval Station San Diego, California.

See U.S. Government Accountability Office (GAO), *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness* (GAO-23-105797), September 2023, p. 7, at <https://www.gao.gov/products/gao-23-105797>.

⁴⁷ See Government Accountability Office, “Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program (GAO-23-105377),” April 20, 2023, p. 1, <https://www.gao.gov/assets/gao-23-105377.pdf>.

⁴⁸ CRS correspondence with OUSD (LA), August 28, 2023. On file with author.

DOD payments to MHPI companies, calculated based on collective BAH rates for the individual servicemembers who live in those quarters, are the primary source of revenue for the companies to operate, maintain, and modernize the MHPI housing.⁴⁹ Each of the 78 MHPI projects across DOD is a separate and distinct legal entity governed by the specific agreement between the military service and the housing company in that particular location. The contracts between the military services and the companies are not publicly available. Most of the projects involve incentive fees that the military departments may provide to the companies that meet certain performance metrics; the details of these incentive fees and their structures are unique to each MHPI project.⁵⁰

Figure 3. Privatized Family Housing



Source: A Military Housing Privatization Initiative (MHPI) family housing project at Fort Jackson in South Carolina. Feb. 5, 2020.

Notes: DOD photo, Fort Jackson Public Affairs Office.

MHPI Reforms

In the MHPI program's early years, many military officials and families lauded the program as a success following investment in new construction and renovations.⁵¹

In 2019, Congress heard complaints from some military families about substandard housing and issues such as black mold, rodents, insect infestations, lead paint, damaged plumbing, and

⁴⁹ See Government Accountability Office, "Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program (GAO-23-105377)," April 20, 2023, p. 6, <https://www.gao.gov/assets/gao-23-105377.pdf>.

⁵⁰ See GAO, "Military Housing: DOD Needs to Strengthen Oversight and Clarify Its Role in the Management of Privatized Housing," GAO-20-281, Mar. 26, 2020 p. 7, at <https://www.gao.gov/products/gao-20-281>.

⁵¹ See for example, Businesswire, "Balfour Beatty Communities Earns Crystal Award for Service Excellence in Navy Southeast Housing," March 5, 2013, at <https://www.businesswire.com/news/home/20130305006285/en/Balfour-Beatty-Communities-Earns-Crystal-Award-for-Service-Excellence-in-Navy-Southeast-Housing>. Also see housing surveys in LMI Government Consulting, *Military Families and Their Housing Choices*, February 2010, Appendix F, at <https://www.acq.osd.mil/eie/Downloads/Housing/FH%20Choices.pdf>.

ineffective HVAC units.⁵² Concerns among some Members of Congress about DOD’s oversight of the private housing companies prompted Congress to enact a series of reforms and new requirements.⁵³ Some of the complaints from MHPI tenants that drew public attention in news reports and in congressional testimony have involved mold.⁵⁴

The Department of Justice investigated some MHPI companies for allegations of misconduct.⁵⁵

Congress’s effort to legislate reforms for the MHPI program included the “Tenant Bill of Rights” included in Section 3011 of the FY2020 National Defense Authorization Act (NDAA).⁵⁶ MHPI reform continued in the FY2021 NDAA; between both laws Congress imposed more than 30 new requirements on the MHPI companies.⁵⁷ The new laws were designed to impose new oversight requirements on the MHPI companies, to increase assistance available to residents of privatized housing, and to ensure DOD has adequate personnel to conduct oversight of the condition of private housing units.⁵⁸ **(Appendix B)**

DOD has implemented many of the reforms, including the creation of a new “Chief Housing Officer” position to lead oversight efforts; a standardized lease for all privatized housing landlords; and a requirement for local military housing office officials to conduct physical inspections of vacant homes when families move in or out. DOD also made changes to the metrics used to determine the performance incentive fees it provides to the landlords. The reform efforts also expanded the authority of installation commanders to adjudicate some formal dispute between the tenants and housing companies.

⁵² Karen Jowers, “Black mold, rodents, lead paint in privatized housing: No rent until it’s fixed, military spouses say,” *Military Times*, Feb. 14, 2019, at <https://www.militarytimes.com/pay-benefits/2019/02/14/black-mold-rodents-lead-paint-in-privatized-housing-no-rent-until-its-fixed-military-spouses-say/>.

⁵³ U.S. Congress, Senate Armed Services Committee, Hearing on Military Housing and Building Infrastructure,” 116th Cong., 1st sess., March 7, 2019.

⁵⁴ See for example, Karen Jowers, “Black mold, rodents, lead paint in privatized housing: No rent until it’s fixed, military spouses say,” *Military Times*, February 13, 2019, at <https://www.militarytimes.com/pay-benefits/2019/02/14/black-mold-rodents-lead-paint-in-privatized-housing-no-rent-until-its-fixed-military-spouses-say/>.

⁵⁴ Addressing issues of mold contamination in housing is a challenge, both inside and outside the military. There are many variants of mold and, while some forms of mold are believed to pose health risks, the scientific research is not definitive and there are no federal standards or recommendations for airborne concentrations of mold or mold spores.⁵⁴ Disputes can hinge on different interpretations of inspection data. U.S. Environmental Protection Agency, “Mold Testing or Sampling,” at <https://www.epa.gov/mold/mold-testing-or-sampling>.

⁵⁵ In December 2021, one of the largest housing companies, Balfour Beatty Communities LLC (Balfour), was convicted in federal court of major fraud, and agreed to pay more than \$64 million in criminal fines and restitution. Specifically, the company admitted to manipulating and falsifying military housing work-order data and records so that Balfour could obtain incentive management fees (i.e., bonus payments for good performance) to which it was not entitled. For example, Balfour admitted to closing work orders early or marking work “complete” prior to maintenance work actually being performed. In January 2022, a second MHPI company, Hunt Companies, Inc., agreed to a \$500,000 settlement with the government to resolve allegations of fraud at Dover Air Force Base. Hunt Companies made no admission of fault. See Department of Justice press release, “Justice Department Announces Global Resolution of Criminal and Civil Investigations with Privatized Military Housing Contractor for Defrauding U.S. Military,” Dec. 22, 2021, at <https://www.justice.gov/opa/pr/justice-department-announces-global-resolution-criminal-and-civil-investigations-privatized>; and see Department of Justice press release, “Hunt Companies to Pay \$500,000 To Resolve Fraud Allegations At Dover Air Force Base” Jan. 6, 2022, at <https://www.justice.gov/usao-de/pr/hunt-companies-pay-500000-resolve-fraud-allegations-dover-air-force-base>.

⁵⁶ See Title 10 Section 2890 or P.L. 116-92.

⁵⁷ Government Accountability Office (GAO), “Privatized Military Housing: Update on DOD’s Efforts to Address Oversight Challenges,” March 31, 2022, p. 5, at <https://www.gao.gov/assets/gao-22-105866.pdf#page=7>

⁵⁸ U.S. Government Accountability Office, *Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program* (GAO-23-105377),” April 20, 2023, p. 1, at <https://www.gao.gov/assets/gao-23-105377.pdf>.

Full implementation of the specific requirements in the Tenant Bill of Rights was slowed by DOD's lack of authority to make unilateral changes to existing, legally binding business agreements with MHPI companies. Instead, DOD officials have asked each company to incorporate the FY2020 NDAA provisions into existing legal agreements voluntarily.⁵⁹

In April 2023, the GAO identified several unresolved concerns about the MHPI programs, including:

- the need for a more formal dispute resolution process that allows tenants to lodge formal complaints about the condition of their housing,
- the need for the military departments to develop clear and consistent inspection standards,
- the failure of certain MHPI projects to comply with elements of the FY2020 Tenant Bill of Rights,⁶⁰ and
- the need for additional guidance regarding the role of tenant advocates.⁶¹

Additional payments to housing companies

Congressional authorizations and DOD's BAH policy changes resulted in reductions in BAH benefits starting in 2016 (See the BAH section below for details on BAH reductions). These reductions affected the revenue of the MHPI companies because the companies' revenue streams are tied directly to the servicemembers' BAH.⁶² (DOD's agreements with privatized housing developers prohibit the housing companies from charging more for rent than the current BAH rates.⁶³) To offset those BAH reductions, Congress has authorized and appropriated funding for additional annual payments to MHPI companies. (See **Appendix A**)

Basic Allowance for Housing

DOD provides a BAH for servicemembers in the United States who are not assigned to housing on a military installation. Servicemembers who receive a BAH to lease or buy a home off base have broad discretion for the housing they chose, including its location, cost, size, and condition. Off-base housing in the civilian areas surrounding a military installation is subject to the housing rules and regulations of the state and local jurisdiction. For individual servicemembers, BAH rates vary depending on three factors: military pay grade, whether a service member has

⁵⁹ U.S. Government Accountability Office (GAO), *Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program*, GAO-23-105377, April 2023, p. 11, at <https://www.gao.gov/assets/gao-23-105377.pdf>.

⁶⁰ As of December 2022, the 18 rights are available at all but three Air Force installations, according to DOD officials. According to these officials, they were continuing to seek agreement with private housing companies to voluntarily implement these rights. See Government Accountability Office, "Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program (GAO-23-105377)," April 20, 2023, p. 12, at <https://www.gao.gov/assets/gao-23-105377.pdf>.

⁶¹ U.S. Government Accountability Office, "Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program (GAO-23-105377)," April 20, 2023, Highlights page, at <https://www.gao.gov/assets/gao-23-105377.pdf>.

⁶² While DOD does impose cost-sharing on service members who lease or buy a home off base, no cost-sharing is expected of servicemembers who reside in MHPI housing. See Section 603 of the National Defense Authorization Act for Fiscal Year 2016 (P.L. 114-92).

⁶³ See Government Accountability Office, "Military Housing: Actions Needed to Improve the Process for Setting Allowances for Servicemembers and Calculating Payments for Privatized Housing Projects," GAO-21-137, January 25, 2021, p. 9, at <https://www.gao.gov/assets/gao-21-137.pdf#page=14>.

dependents, and the geographical location of the servicemembers current duty assignment. The rates for each location are intended to align with the cost of the local rental housing markets and to allow those servicemembers to obtain adequate housing from the private housing market. About 58% of service members live off base and receive housing allowance.⁶⁴

Congress has enacted provisions affecting BAH. These included granting the Secretary of Defense authority to issue mid-year increases for BAH rates in areas where housing costs are rising rapidly.

Setting BAH rates

For DOD, the process for setting BAH rates involves three primary components: (1) estimating the cost of adequate housing in various locations; (2) aligning estimated housing costs to various paygrades and dependent statuses for individual servicemembers; and (3) setting policy to determine the extent to which BAH payments may cover 100% of housing costs or require servicemembers to pay a portion of those costs with out-of-pocket cash (for example, from their basic pay).

For estimating local housing costs, the uniformed services have concurred in aggregating individual ZIP Codes into groups called Military Housing Areas (MHAs). There are approximately 300 MHAs in the United States.⁶⁵ DOD collects data for each of these housing markets and determines the median rental costs associated with various types of housing, known as “housing profiles,” which include apartments, townhouses/duplexes, and single-family rental units of varying bedroom sizes.⁶⁶ The data are based on three primary sources: (1) information provided by the local installation housing offices; (2) commercially available databases of real estate information; and (3) a data collection contractor that DOD commissions to analyze housing markets and support the BAH rate-setting process.⁶⁷ The data collection also includes average utility costs for each area, including electricity, heating fuel, water, and sewer.⁶⁸ Data collection occurs during peak PCS season in the spring and summer when housing markets are most active.⁶⁹

When aligning rates to specific pay grades and dependent statuses, DOD links servicemembers (based on their pay grade and dependent status) to specific housing profiles. For example, an E-4 service member without dependents gets a rate linked to the cost of a one-bedroom apartment. An E-4 with dependents gets a BAH rate linked to the cost of a two-bedroom apartment. An O-5 officer with dependents receives a BAH linked to the local cost of a four-bedroom home. DOD maintains a table to calculate variants.⁷⁰ DOD’s BAH policy provides only one with-dependent

⁶⁴ The 58% figure provided here excludes residents of MHPI housing projects. Data are based on CRS correspondence with OUSD (A&S), August 28, 2023. On file with author. Servicemembers assigned to military installations overseas do not receive BAH; instead, they receive a housing allowance known as the Overseas Housing Allowance (OHA).

⁶⁵ Defense Travel Management Office, BAH Data Collection, at <https://www.travel.dod.mil/Allowances/Basic-Allowance-for-Housing/BAH-Data-Collection/>.

⁶⁶ Department of Defense, Basic Allowance for Housing: BAH Data Collection and Ratesetting Process Overview, p. 2, at <https://media.defense.gov/2022/Jun/23/2003023204/-1/-1/0/BAH-PRIMER.PDF>.

⁶⁷ *Ibid.* pp. 3-5.

⁶⁸ Department of Defense, Basic Allowance for Housing: BAH Data Collection and Ratesetting Process Overview, p. 2, at <https://media.defense.gov/2022/Jun/23/2003023204/-1/-1/0/BAH-PRIMER.PDF>.

⁶⁹ *Ibid.*

⁷⁰ Department of Defense, Basic Allowance for Housing: BAH Data Collection and Ratesetting Process Overview, p. 10, at <https://media.defense.gov/2022/Jun/23/2003023204/-1/-1/0/BAH-PRIMER.PDF>.

rate for each pay grade, which provides the same housing allowance regardless of how many dependents a servicemember has.

DOD, with input from Congress, sets policy for BAH benefits to determine the extent to which the monthly benefit may cover part or all of a servicemember's estimated housing costs.⁷¹ This policy has varied over the years. In the 1990s and prior to 2002, DOD provided a BAH payment that was intended to cover the cost of local housing minus 15% of the estimated national average housing cost, in effect requiring servicemembers to pay a portion of their own housing costs with out-of-pocket cash.⁷² In 2002, at a time when DOD was increasing its recruiting goals, DOD began reducing out-of-pocket housing costs for servicemembers. By 2005, DOD provided servicemembers with a BAH calculated to cover 100% of local housing costs.⁷³ In 2014, DOD requested authorization to slow the growth of BAH and returned to a policy that required servicemember to again pay a portion of their housing costs out of pocket.⁷⁴ The NDAA for Fiscal Years 2015 and 2016 authorized DOD to use a phased approach to reduce BAH rates to an amount equal to the estimated cost of local housing minus 5% of national average housing costs.⁷⁵ (The BAH statute was amended to calculate BAH in a way that intended to make out-of-pocket costs more equal for all service members and prevent servicemembers assigned for duty in high-cost real estate markets from suffering more financial harm.⁷⁶)

Since 2019, DOD policy has calculated BAH for servicemembers by taking the estimated cost of local housing and reducing that by 5% of the national average monthly cost of adequate housing.⁷⁷

BAH Eligibility

Installation commanders have broad authority to approve BAH for most servicemembers if on-base government-owned housing is not available.⁷⁸ Installation commanders also have authority

⁷¹ Congressional input includes provisions in law that place parameters on DOD's policy options. For example, Section 603 of P.L. 114-92 (the 2016 NDAA) authorized – but did not direct – DOD to reduce BAH rates by an amount that “may not exceed” 5% of the national average monthly cost of adequate housing in the United States.

⁷² GAO, *Military Housing: Actions Needed to Improve the Process for Setting Allowances for Servicemembers and Calculating Payments for Privatized Housing Projects*, January 2021, pp. 1-2 at <https://www.gao.gov/assets/720/711967.pdf>.

⁷³ See CRS Report RL33446, *Military Pay: Key Questions and Answers*. Also see *Military Compensation Background Papers, Compensation Elements and Related Manpower Cost Items Their Purposes and Legislative Backgrounds, Eight Edition*, July 2018, Chapter II.B.2., page 138, at https://militarypay.defense.gov/Portals/3/Documents/Reports/Mil-Comp_8thEdition.pdf?ver=2018-09-01-181142-307.

⁷⁴ DOD, Under Secretary of Defense (Comptroller)/Chief Financial Officer, *Fiscal Year 2015 Budget Request, Overview*, March 2014, p. 5-6, at https://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2015/fy2015_Budget_Request_Overview_Book.pdf

⁷⁵ Section 603 of P.L. 114-92.

⁷⁶ Section 604 of P.L. 113-291 amended Section 403 of Title 37 of the U.S. Code to authorize DOD to calculate BAH rates using a method intended to equalize the amount of money servicemembers pay in out-of-pocket cost sharing. The BAH rate is calculated by taking the estimated cost for adequate housing for the local area and reducing the rate by a specified percent of the national average BAH rate. Using this methodology for calculating BAH rates, servicemembers assigned to areas with high-cost real estate markets pay a similar amount in out-of-pocket cost sharing as servicemembers who are assigned to areas with lower cost housing markets.

⁷⁷ Department of Defense, Defense Travel Management Office, *Frequently Asked Questions*, March 25, 2022, at <https://www.travel.dod.mil/Support/ALL-FAQs/Article/2980055/bah-out-of-pocket-expenses/>.

⁷⁸ The primary exception is for junior enlisted sailors assigned to sea duty, or assigned to a ship. If on-base housing is not available to enlisted sailors on sea duty at the pay grade of E-5 or below, they may be required to live in the berthing areas of the ship to which they are assigned, even if the ship is in port.

to designate certain unaccompanied personnel of any pay grade as “key and essential” and to require those servicemembers to live on base.⁷⁹

Section 403 of Title 37 of the *U.S. Code* outlines which servicemembers are eligible for BAH:

- Officers and enlisted servicemembers at the pay grade of E-7 or above may elect to receive a BAH and live off base⁸⁰
- Enlisted servicemembers with dependents who are assigned to a duty station in the United States normally receive a BAH and may choose to live off base on in a privatized housing unit on base.⁸¹
- A servicemember without dependents who is at the pay grade E-6 and who is assigned to an unaccompanied housing unit that does not meet the minimum standards for members in such pay grade may elect to receive BAH and to live off base.⁸²
- A servicemember without dependents who is in the paygrade of E-5 or below and who is not on sea duty may seek approval from his or her command to receive BAH and to live off base.⁸³ Command approval may depend on a range of factors and policies.

U.S.C. 37, Sec. 403 restricts the payment of BAH to certain servicemembers:

- A servicemember without dependents who is assigned for the first time to a unit conducting field operations is not entitled to a basic allowance for housing while on that initial field duty unless the servicemember’s commanding officer certifies that the member was necessarily required to procure quarters at the member's expense.⁸⁴
- A servicemember without dependents who is at the paygrade of E-5 or below is not entitled to BAH while the member is on sea duty. The Secretary of the Navy may authorize the payment of BAH for a servicemember without dependents who is assigned to sea and is at the paygrade of E-5 or E-4.⁸⁵

⁷⁹ DoDM 4165.63, Updated August 31, 2018, p. 23, at <https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodm/416563m.pdf?ver=2018-09-20-075812-223#page=23>.

⁸⁰ Title 37 of the U.S. Code, Section 403(e)(2) Note that servicemembers who are assigned to government quarters are entitled to a benefit known as “partial BAH” which is a monthly stipend; the maximum partial BAH rates for FY2023 ranged from \$6.90 per month for the lowest-ranking servicemembers to \$50.70 monthly for the highest-ranking officers. See Defense Travel Management Office, Documents, at https://www.travel.dod.mil/Portals/119/Documents/BAH/PDF_Non-Locality-BAH-Rates/2023-Non-Locality-BAH-Rates.pdf.

⁸¹ Title 37 of the U.S. Code, Section 403(a)(2). Also see Section 403(e)(1). Since more than 99% of family housing in the United States is privatized (and the exceptions are typically senior officer housing), it is extraordinarily rare for an enlisted servicemember with dependents to be assigned to government housing. As a result, enlisted servicemembers with dependents in the United States are authorized a BAH to obtain either housing in a privatized housing (MHPI) facility or to rent or buy a home off base. If assigned to an overseas location, the servicemember and his or her dependents may be assigned to family housing on base, in which case they may not be eligible for a housing allowance.

⁸² Title 37 of the U.S. Code, Section 403(e)(3). DOD sets minimum standards for housing for each paygrade related to size, configuration and privacy. Servicemembers in some cases may be assigned to government housing that does not meet those standards (typically, housing is only deemed uninhabitable if it poses health or safety risks).

⁸³ Title 37 of the U.S. Code, Section 403(e).

⁸⁴ Title 37 of the U.S. Code, Section 403(f)(1).

⁸⁵ Title 37 of the U.S. Code, Section 403(f)(2)(B), which also notes: “In prescribing regulations under this (continued...)”

- A servicemember without dependents who is on sea duty at the pay grade of E-3 or below are not entitled to BAH. If no space is available in unaccompanied government housing these servicemembers may have to reside in the berthing areas of the ships to which they are assigned.⁸⁶

In January 2023, DOD implemented its largest BAH rate increase in decades. Rates went up an average of 12%.⁸⁷ DOD estimated a total of \$26.8 billion will be paid to approximately one million servicemembers in 2023.⁸⁸

DOD provides unique rules for dual military couples (i.e., when two BAH-eligible servicemembers are married). If the married servicemembers do not have children, each servicemember may receive a BAH at the without-dependent rate. If the couple has children, one of the servicemembers may receive a with-dependent BAH rate and the other spouse may receive a BAH rate for a servicemember without dependents.⁸⁹ In situations where the two BAH-eligible servicemembers have a child but are not living together, DOD's Financial Management Regulation provides a set of policies that may apply to a range of specific circumstances.⁹⁰

Housing Shortages

To determine whether the adjacent community has private-sector housing of sufficient quantity and quality to accommodate the needs of the military at an installation, the Military Services are required to perform a Housing Requirements and Market Analysis (HRMA). If an HRMA determines that an installation's current housing facilities and the housing in the surrounding community are insufficient to meet the needs of the military community, the military department may seek to supplement the installation with additional housing capacity. That may include construction of new government-owned housing facilities or initiating new phases of MHPI projects.

At certain military installations, servicemembers may face long waitlists to obtain on-base housing.⁹¹ In most cases, servicemembers who cannot obtain on-base housing may receive a BAH to pay for housing off base.⁹²

News reports have spotlighted the shortage of on-base housing in places like Las Vegas, Nevada, where some junior service members were ordered to move off base due to a shortage of on-base

subparagraph, the Secretary concerned shall consider the availability of quarters for members serving in pay grades E-4 and E-5.”

⁸⁶ Title 37 of the U.S. Code, Section 403(f)(2)(a).

⁸⁷ DOD, press release, “DoD Releases 2023 Basic Allowance for Housing Rates,” December 14, 2022, at <https://www.defense.gov/News/Releases/Release/Article/3246410/dod-releases-2023-basic-allowance-for-housing-rates/>.

⁸⁸ Ibid. This \$26.8 billion figure includes BAH payments that may be provided directly to MHPI companies on behalf of servicemembers who live in MHPI projects.

⁸⁹ DOD Financial Management Regulation DOD 7000.14-R, Volume 7A, Chapter 26, section 4.0.4, at https://comptroller.defense.gov/Portals/45/documents/fmr/current/07a/07a_26.pdf.

⁹⁰ Ibid., pp. 26-20 – 26-23.

⁹¹ See for example, Marine Corps Camp Lejeune Family Housing, accessed September 2023, showing wait times ranging from 1 to 14 months for various housing complexes. At <https://www.lejeune.marines.mil/offices-staff/family-housing-division/wait-times/>.

⁹² The primary exception is for junior enlisted sailors assigned to sea duty, or assigned to a ship. If on-base housing is not available to sailors on sea duty, they may be required to live in the ship's berthing quarters while a ship is in port.

housing.⁹³ Some of those servicemembers faced financial hardships when forced to sign a lease – requiring a security deposit and first-month’s rent – before they began receiving BAH.⁹⁴

Congress in 2019 revised Title 37 of the *U.S. Code* to allow DOD to provide more partial Dislocation Allowance (DLA), which is intended to reimburse a servicemember for the expenses incurred while relocating their household, when installations order servicemembers to vacate on-base housing.⁹⁵ The provision extended dislocation allowances to servicemembers without dependents and allowed DOD to issue a partial DLA for unaccompanied servicemembers. Previously the allowance was only available to those vacating family housing facilities.⁹⁶ DOD exercised that authority and expanded DLA in May 2022.⁹⁷

News reports have spotlighted the challenges servicemembers can face in search of affordable off-base housing, especially in high-priced coastal real estate markets.⁹⁸ In September 2022, Defense Secretary Lloyd Austin announced new policies that he said would address some housing concerns. He announced automatic increases in BAH for service members in 28 locations (MHAs) that experienced an average increase greater than 20% in rental housing costs above the 2022 BAH rates.⁹⁹ Separately, Secretary Austin extended the maximum number of days that servicemembers who are moving to a new city can receive Temporary Lodging Entitlement (TLE), which can provide money for servicemembers and military families who are searching for housing in tight rental markets. In all locations, the maximum TLE was extended from 10 to 14 days.¹⁰⁰ Additionally, in areas where DOD has verified that there are housing shortages, DOD will pay for up to 60 days of TLE.¹⁰¹

⁹³ Humberto Sanchez, “Defense Department to pay single junior service members dislocation housing funds,” Nevada Independent, May 23, 2022, at <https://thenevadaindependent.com/article/defense-department-to-pay-single-junior-service-members-dislocation-housing-funds>. also see Greg Hadley, “‘Not a Good Situation’: Off-Base Housing Crisis Has USAF Scrambling,” Air and Space Forces Magazine, July 9, 2021, at <https://www.airandspaceforces.com/not-a-good-situation-off-base-housing-crisis-has-usaf-scrambling/>.

⁹⁴ Humberto Sanchez, “Defense Department to pay single junior service members dislocation housing funds,” Nevada Independent, May 23, 2022, at <https://thenevadaindependent.com/article/defense-department-to-pay-single-junior-service-members-dislocation-housing-funds>.

⁹⁵ Section 607 of P.L. 116-92. Also see Title 37 of the U.S. Code, Section 452(c).

⁹⁶ Section 607 of P.L. 116-92. Also see Karen Jowers, “New allowance greenlit for troops ordered to move from barracks to off-base housing,” *Military Times*, May 23, 2022, at <https://www.militarytimes.com/pay-benefits/2022/05/23/new-allowance-greenlit-for-troops-ordered-to-move-from-barracks-to-off-base-housing/>.

⁹⁷ Ibid. Also see DOD, Secretary of Defense Memorandum, “Taking Care of Our Service Members and Families,” Sept. 22, 2022, at <https://media.defense.gov/2022/Sep/22/2003083398/-1/-1/0/TAKING-CARE-OF-OUR-SERVICE-MEMBERS-AND-FAMILIES.PDF>.

⁹⁸ R. J. Rico, “Military families’ housing benefits lag as rents explode,” The Associated Press, August 21, 2022, at <https://www.militarytimes.com/pay-benefits/2022/08/21/military-families-housing-benefits-lag-as-rents-explode/>.

⁹⁹ Department of Defense, “DoD Announces Immediate and Long-Term Actions to Help Strengthen the Economic Security and Stability of Service Members and Their Families,” September 22, 2022, at <https://www.defense.gov/News/Releases/Release/Article/3167769/dod-announces-immediate-and-long-term-actions-to-help-strengthen-the-economic-s/>.

¹⁰⁰ DOD press release, “Austin Pledges to ‘Ease the Load’ for Service Members,” September 22, 2022, at <https://www.defense.gov/News/News-Stories/Article/Article/3167740/austin-pledges-to-ease-the-load-for-service-members/>. Also see DOD, Secretary of Defense Memorandum, “Taking Care of Our Service Members and Families,” Sept. 22, 2022, at <https://media.defense.gov/2022/Sep/22/2003083398/-1/-1/0/TAKING-CARE-OF-OUR-SERVICE-MEMBERS-AND-FAMILIES.PDF>.

¹⁰¹ Ibid.

Transient Housing

DOD provides lodging to support temporary housing needs for servicemembers who are assigned to a location for temporary duty or are in the process of making a permanent change of station move and need a temporary place to stay in between permanent homes.

Transient housing, also known as DOD Lodging, located on or near U.S. military installations and owned and operated by the government, includes Air Force Inns, Army Lodging, Navy Gateway Inns & Suites, Navy Lodges, and Marine Corps Lodging. The Joint Travel Regulations require travelers on temporary duty to U.S. military installations to book DOD Lodging, if available, before other lodging options.¹⁰²

Typically, individual servicemembers pay for temporary lodging using per diem payments that DOD provides; rates for various locations are set in coordination with the U.S. General Services Administration.¹⁰³

In 2009, the Army began to privatize its domestic lodging with the goal of addressing the poor condition of facilities more quickly than could be achieved under continued Army operation.¹⁰⁴ In 2021, the GAO reported that achieving improvements had taken longer than expected and that the Army did not estimate cost savings from the privatization program.¹⁰⁵

In 2019, the DOD transitioned transient housing to become self-funding, prompting some lodging facilities to raise rates.¹⁰⁶ Under DOD policy the lodges no longer receive any appropriated funding and rely on revenue to support lodging operations; capital sustainment, repair, recapitalization, and construction expenses.¹⁰⁷

Policy and administrative oversight of the government-owned transient housing programs fall within the purview of the Office of the Deputy Assistant Secretary of Defense for Military Community and Family Policy, within the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs.¹⁰⁸

¹⁰² Department of Defense, Joint Travel Regulations (JTR), p. 2-28, at <https://media.defense.gov/2022/Jan/04/2002917147/-1/-1/0/JTR.PDF>.

¹⁰³ DOD, Defense Travel Management Office, Per Diem Rates, at <https://www.travel.dod.mil/Travel-Transportation-Rates/Per-Diem/>

¹⁰⁴ GAO, “Military Lodging: DOD Should Provide Congress with More Information on Army’s Privatization and Better Guidance to the Military Services,” GAO-21-214, June 8, 2021, highlights page, at <https://www.gao.gov/products/gao-21-214>.

¹⁰⁵ Ibid.

¹⁰⁶ Jennifer H. Svan, “DOD lodging rates set to go up as facilities prepare to be self-sustaining,” Stars and Stripes, Sept. 11, 2019, at <https://www.stripes.com/dod-lodging-rates-set-to-go-up-as-facilities-prepare-to-be-self-sustaining-1.598377>. Also see Office of the Under Secretary of Defense for Personnel and Readiness Memorandum, Directive-type Memorandum 18-007, “Conversion of DoD Temporary Duty and Permanent Change of Station Lodging to Fully Nonappropriated Fund Operations, Maintenance, and Construction,” Nov. 21, 2018, at <https://dodmwrandsalepolicy.defense.gov/Portals/104/Documents/Policy%20Memos/DTM-18-007%20--%20Lodging%20APF%20to%20NAF%20Published.pdf?ver=Qi7sNS6DEqoVIvMnWcgIqg%3D%3D>

¹⁰⁷ DOD Instruction 1015.11, DOD Lodging Policy, p. 19, January 23, 2023 at <https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/101511p.pdf?ver=cAH-eupbcLN3V-oihW6rDA%3D%3D>.

¹⁰⁸ GAO, “Military Lodging: DOD Should Provide Congress with More Information on Army’s Privatization and Better Guidance to the Military Services,” GAO-21-214, June 8, 2021, p. 9, at <https://www.gao.gov/products/gao-21-214>.

Overseas Housing

DOD has distinct policies and programs for housing at military installations located overseas. While on-base family housing in the United States is usually provided in the form of privatized housing, on-base family housing overseas is government-owned. Basic Allowance for Housing does not support servicemembers overseas. Some servicemembers stationed overseas are permitted to live off base. Their housing costs are covered by the Overseas Housing Allowance (OHA) program.¹⁰⁹ Funding for this program comes from the BAH appropriations within DOD's military personnel accounts. OHA is paid to servicemembers in U.S. dollars as a component of pay; in turn, the servicemembers typically pay their rent and utilities in the local foreign currency. Housing issues at installations overseas may be affected by a range of country-specific factors, such as security concerns, host-nation sensitivities, or restrictions related to the Status of Forces Agreements between the U.S. and host-nation governments.

Coast Guard Housing

The U.S. Coast Guard is one of the United States' six armed forces, and, as a component of the Department of Homeland Security, is the only military service not within the Department of Defense. The structures of Coast Guard pay and benefits, which include a housing entitlement for the Coast Guard's military members, are similar to those provided to DOD's active-duty personnel. The budget for the Coast Guard is provided through the Department of Homeland Security. The Coast Guard provides on-base housing to some servicemembers, and those who live outside of military installations are eligible for the same BAH rates that DOD service members receive.¹¹⁰ The Coast Guard does not have a privatized housing program similar to the MHPI.

Statutes related to Coast Guard housing are found in Chapter 18 of Title 14 of the *U.S. Code*.

Issues for Congress

Readiness

An overarching issue for Congress regarding military housing is how to ensure DOD has housing options of sufficient quality and quantity to support military readiness in general and recruitment and retention in particular. Congress faces these housing requirements in context with competing military operational needs. MILCON budgets for the construction of new government-owned housing accompany other MILCON requirements that support military training and operations such as training ranges, piers, or runways. Budgeting more for BAH spending increases personnel costs that put pressure on accounts for O&M, procurement or research and development of new technologies. Even within the personnel-related accounts that aim to boost recruitment and retention, Congress and DOD face consideration of housing alongside other factors such as basic pay, incentive payments, and investments in other quality-of-life programs.

¹⁰⁹ Defense Travel Management Office, Overseas Housing Allowance, at <https://www.travel.dod.mil/Allowances/Overseas-Housing-Allowance/>.

¹¹⁰ Coast Guard Housing Manual, Commandant Instruction Manual M11101.13G, May 2016, pp. 2-1 and 3-1, at https://media.defense.gov/2022/Nov/17/2003116366/-1/-1/0/CIM_11101_13G.PDF.

Housing Mix

Congress's annual budgetary process and policy-related legislation influence the future mix of housing across DOD. Funding and policies help determine whether the military will support servicemembers' long-term needs by funding construction of more on-base housing through MILCON funds, relying on BAH and the private housing market, or whether Congress and the military may seek to expand public private partnerships like the MHPI. Each type of housing provides certain benefits and limitations.¹¹¹ Many factors may affect Congress's views on the optimal mix for military housing, for example if DOD's force structure changes, if servicemembers' preferences evolve, or if the perceived cost or effectiveness of certain housing categories changes over time.

Congress may consider the long-term budgetary tradeoffs of various housing options. Investing in new MILCON and FSRM projects to support government-owned housing requires more up-front spending but may result in infrastructure that reduces long-term housing costs. Relying on BAH or initiating new privatized housing initiatives, Congress may ease short-term budget pressures at the expense of higher long-term costs.

When appropriating budget authority and directing policy changes, Congress may continue to evaluate the pros and cons of each housing category, which are briefly outlined below.

Government-owned housing

Military construction of on-base housing gives military leaders direct supervision over housing matters and, by having servicemembers live on base, may foster a more tightly knit culture that enhances quality of life and esprit de corps (which is one reason that the newest servicemembers in the junior ranks are often required to live in on-base housing for a certain period of time). On the other hand, military construction projects have a long lead time: Building a barracks can take five to seven years or more depending on many variables. Some DOD leaders may prefer DOD personnel focus on core military missions rather than the development and operation of housing facilities. A reliance on on-base housing can result in costly excess infrastructure in situations in which bases close or units are transferred elsewhere.

Off-base housing

Off-base housing funded through BAH generally provides a flexible supply of military housing, allowing installations to expand or contract their base populations without a direct and immediate impact on defense infrastructure requirements. Some servicemembers prefer to receive a BAH and pursue off-base housing, as it offers more diverse options for housing and locations. Servicemembers living in off-base housing may help foster closer ties between the military and the civilian community. Servicemembers can purchase homes and use BAH to pay down mortgages and build financial security. Military commanders' authority is more limited with regard to off-base housing and those who live there. Also, the private-sector housing markets may not immediately provide the quality and quantity of housing that the military system prescribes.

Privatized housing

Privatized housing efforts like the MHPI can be a cost-effective way to leverage private-sector investment for housing infrastructure. Private housing companies may be able to meet military housing needs more quickly and efficiently than the traditional MILCON process and the related

¹¹¹ "Living on Base: Pros and Cons," Military.com, at <https://www.military.com/pcs/living-on-base.html>.

facilities sustainment, renovation and modernization process. Military leaders may prefer to outsource management of housing to better enable military personnel to focus on operational military missions. On the other hand, binding legal agreements can make it harder for military commanders to address housing concerns that can potentially affect readiness. For junior servicemembers in particular, a privatized housing arrangement can make it more challenging for the chain of command to exercise authority in the interest of servicemembers, for example by conducting unannounced inspections.¹¹² Privatized housing projects may be adversely impacted if the partner companies face financial difficulties.

Military Housing Privatization Initiative

More than 20 years after its inception, the MHPI has presented Congress and DOD with a complex set of policy and oversight challenges. These issues may continue to evolve as the MHPI developments enter the later stages of their 50-year leases.

GAO has recommended additional oversight of the MHPI.¹¹³ At the same time, the MHPI has continued to expand in FY2023.¹¹⁴ Congress is debating new proposals to potentially expand the role of privatized housing in the provision of military housing across the DOD.¹¹⁵ This may include additional privatization of unaccompanied housing or transient housing.¹¹⁶

Congress may seek to further evaluate the long-term performance of the MHPI program, both in terms of its impact on DOD budget and the satisfaction of the servicemembers who live in privatized housing units. Congress may also seek to evaluate the different approaches taken by military departments for implementing the MHPI.¹¹⁷

¹¹² See LMI, “Unaccompanied Personnel Housing for Junior Enlisted Members,” May 2010, section 5-2, at <https://www.acq.osd.mil/eie/Downloads/Housing/UPH%20Report.pdf>.

¹¹³ See GAO, “Military Housing: Army Should Improve Inspection Oversight and Long-Term Capital Investment Projections.” July 2023, p. 8, at <https://www.gao.gov/assets/gao-23-105983.pdf>. Also see Government Accountability Office, “Military Housing: DOD Can Further Strengthen Oversight of Its Privatized Housing Program (GAO-23-105377),” April 20, 2023, p. 1, at <https://www.gao.gov/assets/gao-23-105377.pdf>.

¹¹⁴ The FY2024 Presidents Budget Request, DOD Military Construction and Family Housing budget justification documents indicates the Army is initiating a new MHPI project in Miami and the Navy is expanding its San Diego project to support housing at Naval Air Weapons Station China Lake and Naval Air Station Fallon in California. See Department of the Army, Fiscal Year (FY) 2024 Budget Estimates, Army Family Housing, UH-6 Exhibit, March 2023, p. 109, 111, MHPI Project Name: Small Installation – Miami, at <https://www.asafm.army.mil/Portals/72/Documents/BudgetMaterial/2024/Base%20Budget/Military%20Construction/Regular%20Army%20Military%20Construction%20Army,%20Army%20Family%20Housing%20and%20Homeowners%20Assistance.pdf#page=297>. And Department of the Navy, Fiscal Year (FY) 2024 Budget Estimates, Exhibit FH-6 Military Housing Privatization Initiative (MHPI) - Family Housing Privatization, p. 130, MHPI Project Name: San Diego PH VII, at https://www.secnav.navy.mil/fmc/fmb/Documents/24pres/MCON_Book.pdf#page=491.

¹¹⁵ H.Rept. 118-125, the report that accompanied the House-reported draft of an FY2024 NDAA, directed the Secretary of Defense to provide a report about the existing privatized housing projects that provide unaccompanied housing. See report page 396, at <https://www.congress.gov/118/crpt/hrpt125/CRPT-118hrpt125.pdf#page=436>. Also, The HASC report (H.Rept. 117-397) accompanying the House draft of an FY2023 NDAA directed the Secretary of Defense to provide a report on the “feasibility of privatizing unaccompanied housing to include barracks and dormitories within the United States.” See report p. 377, at <https://www.congress.gov/117/crpt/hrpt397/CRPT-117hrpt397.pdf#page=415>.

¹¹⁶ Section 2814 of the House-passed version of the FY2023 NDAA (H.R. 7900) proposed requiring the Navy and the Air Force to privatize transient lodging facilities within the United States.

¹¹⁷ The Army and Navy have structured their MHPI programs as Limited Liability Partnerships in which the military department and the housing company create a partnership and the military service provides some investment money. The Air Force has taken a different approach, option to provide direct loans to the housing company. See GAO, (continued...)

Congress and DOD also face questions about the long-term financial health of certain MHPI companies.¹¹⁸ Congress has enacted laws to support the financial health of the companies.¹¹⁹ Congress may consider whether additional measures are needed.¹²⁰

Other private market activities

It is DOD's policy to rely on the private sector as the primary source of housing for the majority of servicemembers.¹²¹ Yet relying on the civilian housing market carries risks, especially at a time when housing availability in general, and single-family homes in particular, is declining in many parts of the United States.¹²²

Congress could consider whether or not to assist communities surrounding military installations in offering affordable, adequate, and available housing to support the needs of the military. Congress may consider programs and policies that aim to influence certain local private-sector housing markets.

- Congress could consider whether or not to appropriate funding and direct DOD to directly impact local housing markets with existing authorities to provide direct investment, low-interest loans or other support for housing developers who are committed to providing the type of housing that supports the military community.
- Congress could consider whether or not to engage with the Department of Housing and Urban Development or other federal or local agencies to support or incentivize the development of housing that meets the needs of the military community.
- Congress may consider programs or tax laws that incentivize housing in military communities. This may include programs similar to the Low-Income Housing Tax Credit (LIHTC) that could target military communities, New Markets Tax Credits (NMTC) or other existing housing programs.

"Military Housing: DOD Needs to Strengthen Oversight and Clarify Its Role in the Management of Privatized Housing," GAO-20-281, Mar. 26, 2020 pp 5-6, at <https://www.gao.gov/products/gao-20-281>

¹¹⁸ GAO, *Military Housing: Army Should Improve Inspection Oversight and Long-Term Capital Investment Projections*. July 2023, p, 1 (Highlights page), at <https://www.gao.gov/assets/gao-23-105983.pdf>.

¹¹⁹ See Section 606 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (P.L. 115-232), and related amendments in **Appendix A**.

¹²⁰ H.Rept. 118-125, the report that accompanied the House-reported draft of a FY2024 NDAA, directed DOD's Chief Housing Officer to provide a briefing about the financial viability of privatized housing projects.

¹²¹ DODM 4165.63, page 1, at

<https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodm/416563m.pdf?ver=2018-09-20-075812-223>.

¹²² See CRS Report R47617, *U.S. Housing Supply: Recent Trends and Policy Considerations*, by Lida R. Weinstock

Appendix A. Payments to MHPI companies

The FY2016 NDAA and the subsequent reduction in Basic Allowance for Housing payments across the military services affected the revenue of the Military Housing Privatization Initiative companies because the revenue stream was tied directly to the servicemembers' BAH.¹²³ The reductions reflected a new cost-sharing expectation imposed on servicemembers who receive BAH and rented or leased a home from the private sector housing market (since 2019, servicemembers' BAH has been equal to the estimated cost of local housing minus an amount equal to 5% of the national average cost of housing). DOD did not impose an expectation for out-of-pocket cost sharing on servicemembers living in MHPI housing because DOD agreements with privatized housing developers prohibit the housing companies from charging more for rent than the BAH rate.¹²⁴ Therefore, for servicemembers living in MHPI housing, the rent paid to the MHPI companies is typically equivalent to the housing allowance.

In 2018, the Government Accountability Office (GAO) identified Congress's lack of information regarding the revenue and financial health of privatized housing companies.¹²⁵

In Section 603 of the National Defense Authorization Act for Fiscal Year 2018 (P.L. 115-91), Congress authorized the Secretary of Defense to provide additional payments to the MHPI housing companies (**Table A-1**) to offset some of the revenue diminished by the BAH reduction.¹²⁶ The provision authorized monthly payments to housing companies equal to 1% of estimated local housing costs for the servicemembers living in privatized housing units.

In Section 606 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (P.L. 115-232), Congress authorized DOD to provide additional payments to MHPI companies. For each servicemember living in MHPI housing, the provision authorized payments to the housing companies equal to 5% of the amount DOD determines to be the cost of local adequate housing. This payment provision roughly offset the impact of the BAH reduction, which under the policy since 2019, reduced BAH rates by 5% of the national average BAH rate.¹²⁷ The 2019 NDAA also directed the Secretary of Defense to develop a long-range plan to mitigate the losses incurred by MHPI housing projects because of the reductions to BAH and to develop measures to support the future sustainment, recapitalization, and financial condition of MHPI housing.¹²⁸

¹²³ See Section 603 of the National Defense Authorization Act for Fiscal Year 2016 (P.L. 114-92).

¹²⁴ See Government Accountability Office, "Military Housing: Actions Needed to Improve the Process for Setting Allowances for Servicemembers and Calculating Payments for Privatized Housing Projects," GAO-21-137, January 25, 2021, p. 9, at <https://www.gao.gov/assets/gao-21-137.pdf#page=14>.

¹²⁵ See Government Accountability Office, "Military Housing Privatization: DOD Should Take Steps to Improve Monitoring, Reporting, and Risk Assessment," GAO-18-218, March 13, 2018, at <https://www.gao.gov/products/gao-18-218>.

¹²⁶ In the Joint Explanatory Statement accompanying the FY2018 NDAA, (P.L. 115-91) the conferees noted that in FY2018, BAH rates were reduced by 4% of national average BAH rates and that "the BAH reduction will have an effect on the long-term recapitalization effort for MHPI housing." See <https://www.armed-services.senate.gov/imo/media/doc/JOINT%20EXPLANATORY%20STATEMENT%20OF%20THE%20COMMITTEE%20OF%20CONFERENCE.pdf#page=95>.

¹²⁷ The payments may not have precisely offset the amount of BAH reductions because the payments to the MHPI companies were calculated based on the estimated cost of local housing (statutorily defined in Title 37, Section 403(b)(3)(A)(i)) and the amount of BAH reductions, i.e., the cost sharing imposed on servicemembers, is statutorily defined in Title 37 Section 403(b)(3)(A)(ii).

¹²⁸ See Section 606 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (P.L. 115-232; 10 U.S.C. §2871 note).

In the NDAA for FY2020, Congress modified the Section 606 provision of the 2019 NDAA.¹²⁹ Section 3036 of the FY2020 NDAA authorized the Secretaries of the Military Departments to pay the housing companies monthly payments equal to 2.5% of DOD’s estimate for the cost of adequate local housing, and authorized the payment of an additional 2.5% for specific housing projects that the Secretary of Defense determined to be “underfunded” or otherwise in need of funding for long-term investments.¹³⁰

A 2021 GAO report found that “while the 2019 congressionally mandated payments lessened the financial effects of BAH reductions, as intended, they did not do so commensurate with the amount of the BAH reduction.”¹³¹ GAO found that privatized housing projects received payments that were over or under the amount of revenue lost from reductions made to BAH, in some cases by \$1 million or more.¹³² The GAO noted that the “initial impetus for these payments was to lessen the effect of the BAH reduction on the projects. Congress stipulated that the payments should be based on a specified percentage of the local BAH rate, rather than the national average. This difference in calculation caused some distortions.”¹³³

In the FY2022 NDAA, Congress again modified the authority for additional payments to MHPI companies and amended the method for calculating payments to the housing companies.¹³⁴ Instead of calculating MHPI payments based on a specific percentage of the estimated cost of local housing (i.e., payments equal to 2.5% or 5% of estimated local housing costs), the new formula pegged MHPI payments to the amount of cost-sharing imposed on servicemembers, which is calculated using national average housing costs.¹³⁵ The result of this law was to more directly align the payments authorized for MHPI companies with current and future reductions to BAH.¹³⁶

The Senate-passed draft of an FY2024 NDAA (S. 2226), Section 2841, would restrict payments for companies that have not complied with the tenant bill of rights.¹³⁷ The House-passed draft of an FY2024 NDAA (H.R. 2670) does not include a similar provision.

¹²⁹ See Section 3036 of P.L. 116-92.

¹³⁰ *Ibid.*

¹³¹ GAO, “Military Housing: Actions Needed to Improve the Process for Setting Allowances for Servicemembers and Calculating Payments for Privatized Housing Projects,” GAO-21-137, January 25, 2021, Highlights page, at <https://www.gao.gov/products/gao-21-137>.

¹³² GAO, “Military Housing: Actions Needed to Improve the Process for Setting Allowances for Servicemembers and Calculating Payments for Privatized Housing Projects,” GAO-21-137, January 25, 2021, report summary at <https://www.gao.gov/products/gao-21-137>.

¹³³ *Ibid.* p. 37.

¹³⁴ Section 2811 of P.L. 117-81.

¹³⁵ The estimated cost of adequate local housing is statutorily defined in Title 37, Section 403(b)(3)(A)(i); and the amount of cost sharing imposed on servicemembers is statutorily defined in Title 37 Section 403(b)(3)(A)(ii).

¹³⁶ This change addressed the issue of “distortions” in MHPI payments that the GAO noted in its 2021 report, see GAO, “Military Housing: Actions Needed to Improve the Process for Setting Allowances for Servicemembers and Calculating Payments for Privatized Housing Projects,” GAO-21-137, January 25, 2021, p. 37, at <https://www.gao.gov/products/gao-21-137products/gao-21-137>.

¹³⁷ See Section 2841 of S. 2226.

Table A-1. Legislation Authorizing Reduction in BAH Payments and Additional Payments to MHPI Companies

Law	Effect on Housing Payments
Section 604 of 2015 NDAA P.L. 113-291	Authorized DOD to reduce BAH benefits by an amount equal to 1% of national average housing costs
Section 603 of 2016 NDAA P.L. 114-92	Authorized DOD to reduce BAH benefits by an amount equal to 5% of national average housing costs
Section 603 of 2018 NDAA P.L. 115-91	Authorized monthly payments to MHPI companies equal to 1% of local estimated housing costs
Section 606 of 2019 NDAA P.L. 115-232	Authorized monthly payments to MHPI companies equal to 5% of local estimated housing costs
Section 3036 of 2020 NDAA P.L. 116-92	Revised law to authorize monthly payments to MHPI companies equal to 2.5% of local housing costs and additional payments equal to an additional 2.5% of local housing costs if the Secretary of Defense determines that a specific MHPI project is “underfunded” or if the money will support “support improvements designed to enhance the quality of life” of servicemembers.
Section 2811 of 2021 NDAA P.L. 116-283	Technical changes
Section 2811 of 2022 NDAA P.L. 117-81	Revised law to change method for calculating payments to MHPI companies, setting the payments equal to 50% of the total cost-sharing component of BAH (as calculated by Sec. 403(b)(3)(A)(ii) of Title 37 of the <i>U.S. Code</i>) and also additional payments equal to 50% of the total cost-sharing component of BAH if the Secretary of Defense determines that a specific MHPI project is “underfunded” or if the money will support “support improvements designed to enhance the quality of life” of servicemembers.

Source: CRS analysis of NDAA, FY2015-FY2023, H.R. 2670, S. 2226.

Appendix B. Selected NDAA provisions related to the MHPI program, FY2020-FY2023

Selected provisions related to privatized military housing programs from NDAA 2020-2023 are listed below.

MHPI Provisions in the FY2020 NDAA¹³⁸

Section 3011.

Improved accountability and oversight of privatized military housing and protections and responsibilities for tenants of privatized military housing. This provision amends Chapter 169 of Title 10 of the *U.S. Code* by adding a new subchapter, entitled “Subchapter V—Oversight of Landlords and Protections and Responsibilities for Tenants of Privatized Military Housing.” This new statute directs the Secretary of Defense to develop two documents: the MHPI Tenant Bill of Rights and the MHPI Tenant Responsibilities. This provision lists numerous elements that must be included in the two documents. These include, for example, the right to “have reasonable, advance notice of any entrance by a landlord, installation housing staff, or chain of command into the housing unit, except in the case of an emergency or abandonment of the housing unit,” and the “responsibility to read all lease-related materials provided by the landlord and to comply with the terms of the lease agreement, lease addenda, and any associated rules and guidelines.” Further, the rights and responsibilities contained in the two documents are not intended to be exclusive. That is, omission of a specified tenant right or responsibility “shall not be construed to deny the existence of such a right or responsibility for tenants.”

Required Report: None.

Section 3012.

Designation of Chief Housing Officer for privatized military housing. This provision directs the Secretary of Defense to designate an individual, among those Department of Defense (DOD) officials currently appointed by the President and confirmed by the Senate, to be responsible for oversight of all military housing units. This position is to be known as the Chief Housing Officer (CHO). A principal duty of this position is to focus on MHPI housing.

Required Report: None.

Section 3013.

Additional requirements relating to contracts for privatized military housing. This provision requires the inclusion of several requirements for MHPI contracts issued under Subchapter IV of Chapter 169 of Title 10 of the *U.S. Code*. The additional requirements include:

- prohibiting employees of a landlord who commit work-order fraud from continuing to work on the contract;
- commander consideration of incentive fees based on the dispute resolution process;
- requirements for landlords to reimburse DOD for certain medical costs if the landlord fails to maintain safe and sanitary conditions for a housing unit (a review process and uniform procedures is to be established by the Defense Health Agency (DHA));

¹³⁸ See P.L. 116-92, National Defense Authorization Act for Fiscal Year 2020. See also Conference Report to Accompany S. 1790, National Defense Authorization Act for Fiscal Year 2020 (H.Rept. 116-333).

- responsibilities for “reasonable relocation costs” if there are environmental or health hazards in the housing unit; and
- requiring maintenance work order systems to be up-to-date (both hardware and software), available online, and accessible by DOD, MHPI housing managers, and tenants, among other system requirements.

Required Report: This provision directed the DOD to report to the congressional defense committees by March 1, 2020, about any housing contractors that did not accept the new requirements.

Section 3014.

Additional requirements relating to management of privatized military housing. This provision adds several requirements for DOD management of its privatized housing, including requirements for installation commanders, such as conducting an annual review of landlords’ mold and pest control plans. The provision includes requirements for housing management offices, such as conducting housing unit inspections, keeping records of physical inspections, and conducting satisfaction surveys. The provision also includes requirements for privatized housing companies in their role as landlords, such as:

- disclosing to the Secretary of Defense their bonus structures for community manager;
- sharing health and safety testing results with DOD and the tenant within three days of receiving the test results;
- explaining health and safety testing results;
- conducting walk-through inspections;
- agreement to participate in the dispute resolution process to be setup by DOD along with agreeing to payment-withholding processes established pursuant to 10 U.S.C. §2894;
- maintaining an electronic work order system;
- allowing the Assistant Secretary of Defense (ASD) for Sustainment to approve any leases and other forms given to tenants; and
- prohibiting the collection of any amount of monies from tenants that would be considered an addition to rent (e.g., HVAC maintenance fees). The provision excludes payment for amenities like gym access or parking spaces, or damages for negligence.

Required Report: This provision directed the DOD to report to the congressional defense committees by March 1, 2020, about any housing contractors that did not accept the new requirements.

Section 3015.

Consideration of contractor history in contracts for privatized military housing. This provision directs the Secretary of Defense to develop a process for the Secretaries of the military departments to evaluate the past performance of an eligible entity (i.e., a MHPI contractor), which would be used to inform the award of new MHPI housing contracts. Elements of the process include, at a minimum:

- any history of the eligible entity of providing substandard housing;
- the recommendation of the commander of the installation for which housing units will be provided under the contract; and

- the recommendation of the commander of any other installation for which the eligible entity has provided housing units.

Required Report: None

Section 3016.

Additional improvements for management of privatized military housing. This provision focuses on financial transparency by requiring the housing companies to submit annual housing reports to the Secretary of Defense, which would include:

- a comprehensive summary of the landlord's financial performance;
- the amount of base management fees relating to all housing units provided by the landlord;
- the amount of asset management fees relating to such housing units;
- the amount of preferred return fees relating to such housing units;
- the residual cash flow distributions relating to such housing units; and
- the amount of deferred fees or other fees relating to such housing units.

Required Reports: This provision directed the Secretary of Defense to publish annually, on a publicly accessible website, the military department Secretaries' use of incentive fees data related to MHPI contracts. It also requires SECDEF to establish a database of complaints regarding housing units. The database is to be publicly available and include inputs from both tenants and landlords.

This provision also directed the Comptroller General of the United States, to conduct an audit of the financial viability of each partnership for the provision of privatized military housing that the Comptroller General determines were impacted by extreme weather events or other natural disasters occurring during the 36-month period immediately preceding the date of the enactment of this provision.

This provision also amended Section 2884(c) of Title 10, *U.S. Code*, by adding requirements for providing to the congressional defense committees a semi-annual report containing an evaluation of the status of oversight and accountability measures, including:

- An assessment of the condition of housing units based on the average age of those units and the estimated time until recapitalization.
- An assessment of tenant complaints.
- An assessment of maintenance response times and completion of maintenance requests.
- An assessment of the dispute resolution process, which shall include a specific analysis of each denied tenant request to withhold rent payments and each instance in which the dispute resolution process resulted in a favorable outcome for the landlord.
- An assessment of overall customer service for tenants.
- A description of the results of any no-notice housing inspections conducted.
- The results of any resident surveys conducted.
- With regard to issues of lead-based paint in housing units, a summary of data relating to the presence of lead-based paint in such housing units, including the following by military department:

- The total number of housing units containing lead-based paint.
- A description of the reasons for the failure to inspect any housing unit that contains lead-based paint.
- A description of all abatement or mitigation efforts completed or underway in housing units containing lead-based paint.
- A certification as to whether military housing under the jurisdiction of the Secretary concerned complies with requirements relating to lead-based paint, lead-based paint activities, and lead-based paint hazards, as described in section 408 of the Toxic Substances Control Act (15 U.S.C. 2688).

Section 3017 and Section 3018

Maintenance work order system for privatized military housing; and access by tenants of privatized military housing to maintenance work order system. These provisions direct the Secretary of Defense to require each landlord to have an electronic work order system to track all maintenance requests relating to a MHPI housing unit and to provide access to this system to various DOD entities as well as tenants.

Required Report: None.

Section 3019.

Access by tenants to historical maintenance information for privatized military housing. This provision requires MHPI landlords who initiate new leases to provide tenants the last seven years of maintenance history for a housing unit. For this “section, the term ‘maintenance’ includes any *renovations* of the housing unit during such period.”

Required Report: None

Section 3020.

Prohibition on requirement to disclose personally identifiable information [PII] in certain requests for maintenance of privatized military housing. This provision restricts landlords from requesting PII when it is not needed to identify the location where maintenance will be performed.

Required Report: None.

Section 3021.

Treatment of incentive fees for landlords of privatized military housing for failure to remedy a health or environmental hazard. This provision authorizes the Secretary concerned to disapprove the payment of incentive fees to a landlord if the Secretary determines the landlord has “demonstrated a propensity for failing to remedy, or failing to remedy in a timely manner, a health or environmental hazard at a housing unit.”

Required Report: None.

Section 3022.

Dispute resolution process for landlord-tenant disputes regarding privatized military housing and requests to withhold payments during dispute resolution process. This provision requires the Secretary concerned to implement a standardized formal dispute resolution process for tenants and landlords. The process is intended “to ensure the prompt and fair resolution of disputes that arise resolution of disputes that arise between landlords providing housing units and tenants residing in housing units concerning maintenance and repairs, damage claims, rental payments,

move-out charges, and such other issues relating to housing units as the Secretary determines appropriate.” The provision includes numerous elements of the process. One, in particular, could affect landlords’ revenue; it is the option for tenants to request that certain payments, in whole or in part, paid to a landlord be withheld (e.g., BAH for rent) during the period in which:

- the landlord has not met maintenance guidelines and procedures established by DOD, either through contract or otherwise; or
- the housing unit is uninhabitable according to State and local law for the jurisdiction in which the housing unit is located.

Required Report: None.

Section 3023.

Investigation of reports of reprisals relating to privatized military housing and congressional notification. This provision designates the Assistant Secretary of Defense for Sustainment (ASD/S) as both the investigator and adjudicator of all landlord reprisals against tenants who report housing issues. The ASD/S must carry out the requirements in this provision in coordination with the Secretary of the military department concerned. The ASD/S is required to notify Congress when such incidents occur.

Required Report: This provision directs the ASD/S to notify the Committees on Armed Services of the Senate and House of Representatives if the ASD/S determines that a landlord has retaliated against a servicemember for reporting an issue related to a housing unit. The provision requires the initial notification to occur “as soon as practicable after making the determination” and requires the ASDS to provide an update to the same committees every 30 days until such times as a final action is taken with respect to the retaliation.

Section 3024.

Prohibition on use of nondisclosure agreements in connection with leases of privatized military housing. This provision prohibits the use of nondisclosure agreements (NDAs) in connection with leases for privatized housing units, and also retroactively invalidates any signed NDAs in connection with a MHPI housing unit “regardless of the date on which the agreement was executed.” The provision excludes NDAs that are part of a settlement of litigation.

Required Report: None.

Section 3031

Installation of carbon monoxide detectors in military family housing. This provision amends Section 2821 of Title 10 of the *U.S. Code*, and requires the Secretary of Defense and the Secretaries of the military departments to install and maintain of an appropriate number of carbon monoxide detectors in each unit of military family housing under the jurisdiction of the Secretary.

Required Report: None.

Section 3033

Treatment of breach of contract for privatized military housing. This provision creates Title 10, Section 2872b of the *U.S. Code*, which authorizes the Secretaries of the military departments to respond if a Secretary determines that a privatized housing company is in material breach of contract, which may include rescinding the contract pursuant to the terms of the contract; and prohibiting the offending party from entering into a new contract with the Secretary.

Required Report: None.

Section 3034

Modification to requirements for window fall prevention devices in military family housing units. This provision revises several dates and definitions related to 10 U.S.C. §2879(a), which requires window-fall prevention devices to be installed in military family housing units.

Required Report: None.

Section 3035

Expansion of direct hire authority for department of defense for childcare services providers for Department child development centers to include direct hire authority for installation military housing office personnel. This provision suspends the usual hiring regulations contained in Title 5 U.S.C., Chapter 33, for the DOD and the military services to hire civilian employees to work in military housing offices.

Required Report: None.

Section 3036

Modification of authority to make payments to lessors of privatized military housing. This provision modifies the law that authorizes and requires the Secretaries of the military departments to provide certain privatized housing companies with additional monthly payments to support MHPI housing projects.

Required report: This provision directs the Secretary of Defense to provide a briefing, no later than March 1, 2020, to the Committee on Armed Services of the Senate and the House of Representatives detailing the expenditure of funds under this authority.

Section 3041

Report on civilian personnel shortages for appropriate oversight of management of military housing constructed or acquired using alternative authority for acquisition and improvement of military housing. This provision requires the Secretaries of the military departments to submit a report on the extent to which civilian personnel shortages in DOD housing management offices maybe contributing to problems regarding management of the privatized military housing program. The reports should include recommendations to address any such shortages.

Required report: This provision directed the Secretaries of the military departments to submit reports about personnel shortages to the congressional defense committees no later than 6 months after enactment of this provision.

Section 3045

Information on legal services provided to members of the armed forces harmed by health or environmental hazard at military housing. This provision requires the Secretary of Defense to submit a report on the legal services provided to or available to servicemembers who may have been harmed by a health or environmental hazard while living in military housing.

Required report: The provision required the Secretary of Defense to submit the report to the congressional defense committees no later than 90 days after enactment of this provision.

Section 3051

Uniform Code of Basic Standards for privatized military housing and plan to conduct inspections and assessments. This provision directs the Secretary of Defense to establish and implement, no later than February 2, 2020, a uniform code of basic housing standards for safety, comfort, and habitability, for privatized military housing.

Required Report: This provision directed the Secretary of Defense, no later than February 1, 2020, to submit to the congressional defense committees a DOD plan to contract with qualified home inspectors to conduct a thorough inspection and assessment of the structural integrity and habitability of each unit of privatized military housing. The provision also directed the Secretary of Defense to provide to the congressional committees, no later than March 1, 2021, a report on the findings of the inspections and assessments required under this provision.

Section 3052

Tool for assessment of hazards in Department of Defense housing. This provision directs the Secretary of Defense to develop, no later than 180 days after enactment of this provision, an assessment tool such as a rating system to identify and measure health and safety hazards in housing under jurisdiction of the DOD, including privatized military housing. The tool should be capable of measuring hazards such as mold growth, lead-based paint, asbestos, carbon monoxide, as well as security hazards such as unsecured entryways and poor lighting.

Required Report: This provision directed the Secretary of Defense to provide a report about the assessment tool to the Committees on Armed Services of the Senate and the House of Representative, no later than 210 days after the date of the enactment of this provision (July 18, 2021).

Section 3053

Process to identify and address environmental health hazards in Department of Defense housing. This provision directs the Secretary of Defense, in coordination with the Secretaries of the military departments, to develop a process to identify, record, and resolve environmental health hazards in military housing.

Required Report: The provision directed the Secretary of Defense to provide a report about the process required under this provision to the Committees on Armed Services of the Senate and the House of Representative no later than 210 days after the enactment of this provision (July 18, 2021).

Section 3054

Department of Defense policy on lead-based paint testing on military installations. This provision directs the Secretary of Defense to establish a policy that permits qualified individuals to access military installations for the purpose of conducting tests for the presence of lead-based paint.

Required Report: None.

Section 3055

Standard for minimum credentials for health and environmental inspectors of privatized military housing. This provision directs the Secretary of Defense to submit a report that contains the standard minimum credentials to be used throughout the DOD for all inspectors of health and environmental hazards at privatized military housing.

Required Report: This provision directed the Secretary of Defense to submit a report to the congressional defense committees about the credentials required under this provision no later than February 1, 2020.

Section 3056

Requirements relating to move-in, move-out and maintenance of privatized military housing.

This provision directs the Secretary of Defense to develop a uniform move-in and move-out checklist for use by landlords providing privatized military housing and by their tenants.

Required Report: None.

Section 3057

Standardized documentation, templates, and forms for privatized housing. This provision directs the Secretary of Defense to develop standardized documentation, templates, and forms for use throughout the DOD with respect to privatized military housing.

Required Report: This provision required the Secretaries of the military departments to submit plans for the implementation of this section to the congressional defense committees no later than February 1, 2020.

Section 3058

Satisfaction Survey for tenants of military housing. This provision requires the Secretary of Defense to require at each installation the use of the same satisfaction survey for tenants of military housing, including privatized military housing.

Required Report: None.

Section 3061

Radon testing of privatized military housing. This provision requires the Secretaries of the military departments to ensure that privatized housing landlords are using radon testing that is consistent with national standards.

Required Report: This provision directed the Secretary of Defense to submit to the congressional defense committees no later than March 1, 2020, a report identifying the DOD installations that have privatized military housing that should be monitored for levels of radon.

Section 3062.

Mitigation of risks posed by certain items in military family housing units. This provision directs the Secretary of Defense to allow a military family housing tenant to “anchor any furniture, television, or large appliance to the wall of the unit, for purposes of preventing such item from tipping over, without incurring a penalty or obligation to repair the wall upon vacating the unit.” This provision also requires the Secretary of Defense ensure new and existing family housing units have anchored “freestanding chests, door chests, armoires, dressers, entertainment centers, bookcases taller than 27 inches, televisions, and large appliances” provided by DOD.

Required Report: None

Section 3063.

Suspension of Resident Energy Conservation Program and related programs for privatized military housing. This provision suspends the DOD’s Resident Energy Conservation Program (RECP) and any other program carried out by a military department Secretary that measures the energy usage for individual units of privatized military housing on DOD installations. The suspension ends when the Secretary of Defense certifies to Congress that 100% of MHPI housing units on military installations have their own meter, and the meter accurately measures the energy usage of each individual housing unit.

Required Report: None

Additional Requirements in the Joint Explanatory Statement accompanying the FY2020 NDAA

*Prohibition on use of funds to privatize temporary lodging on installations of Department of Defense*¹³⁹

The conferees note that the significant management shortfalls in the privatized family housing program may cast doubt regarding the efficacy of future privatization initiatives.

Required Report: None

*Command oversight of military privatized housing as element of performance evaluations*¹⁴⁰

The conferees agree that commanders of military installations have an important responsibility for ensuring safe, high-quality housing for servicemembers and their families living on such installations. The conferees intend to watch closely how commanders and other senior officer and enlisted personnel oversee the housing conditions on their installations, including such conditions in military barracks and dormitories.

Required Report: None

MHPI Provisions in the FY2021 NDAA¹⁴¹

Section 627.

Priority for certain military family housing to a member of the armed forces whose spouse agrees to provide family home day care services. This provision authorizes the Secretaries of the military departments to give priority for housing assignments to a military family if the military spouse intends to provide in-home daycare service for the military community.

Required Report: None.

Section 748.

Audit of medical conditions of residents in privatized military housing. This provision requires the DOD Inspector General, within 90 days of the enactment of this provision, to commence an audit of medical conditions associated with unsafe or unhealthy housing conditions. The audit and associated report should include the percentage of units of privatized military housing that are considered by the Inspector General to be unsafe or unhealthy. The audit and associated report should also include a review of the process to identify, record, and resolve environmental health hazards developed by the Secretary of Defense under section 3053 of the National Defense Authorization Act for Fiscal Year 2020 (P.L. 116-92; 133 Stat. 1943).

Required Report: This provision required the DOD Inspector General, no later than one year after commencing the audit (April 1, 2022), to submit a report about the results of the audit to the Secretary of Defense and the Committees on Armed Services of the Senate and House of Representatives.

¹³⁹ See p.1504 of the Conference Report to Accompany S. 1790, National Defense Authorization Act for Fiscal Year 2020 (H.Rept. 116-333).

¹⁴⁰ See p.1521 of the Conference Report to Accompany S. 1790, National Defense Authorization Act for Fiscal Year 2020 (H.Rept. 116-333).

¹⁴¹ See P.L. 116-283, William M. (Mac) Thornberry National Defense Authorization Act for FY2021. Also see Joint Explanatory Statement accompanying the FY2021 NDAA at <https://www.congress.gov/116/crpt/H.Rept. 116-617 /CRPT-116hrpt617.pdf>.

Section 1117.

Expansion of direct hire authority for certain Department of Defense personnel to include installation military housing office positions supervising privatized military housing. This provision expands the DOD's direct hire authority under Title 5, Section 9905(a), of the *U.S. Code*, to include positions in military housing offices whose primary function is supervision of military housing covered.

Required Report: None.

Section 2803.

Modification of reporting requirements regarding certain military construction projects and military family housing projects, contracts, and agreements. This provision amends Title 10 U.S.C. §2884 to expand the DOD's requirement to provide reports about contracts or agreements for the acquisition or construction of housing units.

Required Report: The statute amended by this provision requires the Defense Secretary to notify the Congressional defense committees not later than 21 days before the date on which the Secretary issues the contract solicitation or offers the conveyance or lease of privatized military housing under Title 10 U.S.C. Sec. 2878.

Section 2811.

Modifications and technical corrections related to military housing privatization reform. This provision revises technical language from numerous components of the "Tenant Bill of Rights" as enacted in the FY2020 NDAA, such as the tenant access to maintenance information under Section 2892a; the tenant-landlord dispute resolution process under Title 10, Section 2894, of the *U.S. Code*. In Sect. 2811(i), the provision amends the FY2019 NDAA provision for calculating payments to privatized military housing companies.

Required Report: This provision requires the DOD to provide an annual report about the dispute resolution process, to include a list of dispute resolution cases by installation and the outcome of each case.

Section 2812.

Repeal of authority to lease substandard family housing units to members of the uniformed services. This provision repeals Title 10, Section 2830, of the *U.S. Code*, which previously the military services to lease substandard housing to servicemembers and military families.

Required Report: None.

Section 2813.

Expenditure priorities in using Department of Defense Family Housing Improvement Fund. This provision requiring the use of funds provided through the DOD Family Housing Improvement Fund to prioritize the use of the funding for expenditures related to asset recapitalization, operating expenses, and debt payments before other program management-incentive fee expenditures.

Required Report: None.

Section 2814.

Availability of information regarding assessment of performance metrics for contracts for provision or management of privatized military housing. This provision amends the requirements for how the DOD tracks the performance metrics related to MHPI companies. It

directs the DOD to make those performance metrics available, upon request of a tenant, at the applicable installation housing office.

Required Report: None.

Section 2815.

Requirement that Secretary of Defense implement recommendations relating to military family housing contained in report by Inspector General of Department of Defense. This provision requires the Secretary of Defense to implement the recommendations of the DOD Inspector General contained in the report of the Inspector General, dated April 30, 2020, and entitled “Evaluation of the DoD’s Management of Health and Safety Hazards in Government-Owned and Government-Controlled Military Family Housing.”

Required Report: None.

Section 2816.

Promulgation of guidance to facilitate return of military families displaced from privatized military housing. This provision requires the Secretary of Defense to oversee the issuance of guidance to military installation commanders for how to handle situations in which tenants of privatized military housing are displaced due environmental hazards or required repairs. The guidance should include consideration of financial impact on the displaced military families and the need for reimbursement.

Required Report: None.

Section 2817.

Promulgation of guidance on relocation of residents of military housing impacted by presence of mold. This provision requires the Secretary of Defense to oversee the issuance of guidance to military installation commanders for how to handle situations in which the presence of mold in a housing unit is an emergency requiring the relocation of the residents of the unit.

Required Report: None.

Section 2818.

Expansion of uniform code of basic standards for privatized military housing and hazard and habitability inspection and assessment requirements to Government-owned and Government-controlled military family housing. This provision expands the Uniform Code of Basic Standards for Military Housing, which was established under the FY2020 NDAA, to include a include government-owned and government-controlled military family housing located inside or outside the United States and occupied by members of the Armed Forces

Required Report: None.

Section 8252.

Coast Guard housing; status and authorities briefing. This provision requires the Commandant of the Coast Guard to provide a briefing about Coast Guard housing – its material condition, construction backlogs and the authorities for managing and maintaining Coast Guard housing.

Required Report: Not later than 180 days after the date of the enactment of this Act (June 30, 2021), the Commandant shall provide a briefing to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

Section 2883.

Consideration of certain military family readiness issues in making basing decisions associated with certain military units and major headquarters. This provision requires consideration of several family readiness issues when making basing decisions, including the availability of military family housing to meet new requirements.

Required Report: None.

Additional Requirements in the Joint Explanatory Statement accompanying the FY2021 NDAA:

Department of Defense report on criteria and metrics used to evaluate performance of landlords of privatized military housing that receive incentive fees¹⁴²

The conferees direct the Secretary of Defense to submit a report on the criteria and metrics used to evaluate performance of landlords of privatized military housing that receive incentive fees.

Required Report: Secretary of Defense should submit the report directed by the conferees to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 2021.

Improved Department of Defense and landlord response to identification and remediation of severe environmental health hazards in military housing¹⁴³

The conferees encourage the ongoing work for improving emergency testing, lead encapsulation, and testing when deemed appropriate by a medical professional. The conferees are discouraged that Congress continues to hear from concerned military families who feel their concerns are not being heard. Finally, the conferees note that if the military services and private contractors continue to fail these families, additional legislation and hearings will be warranted.

Required Report: None.

MHPI Initiatives in the FY2022 NDAA¹⁴⁴

Section 525.

Command oversight of military privatized housing as element of performance evaluations. This provision requires the Secretary of each military department to ensure that the performance evaluations of installation commanders and other officers and senior enlisted leaders whose duties include facilities or housing management include an assessment of the extent to which such individuals exercised effective oversight and leadership for improving conditions of privatized housing.

Required Report: None.

Section 526.

Feasibility study on establishment of housing history for members of the armed forces who reside in housing provided by the United States. This provision directs the Secretary of Defense

¹⁴² See p.1911 from the Conference Report to Accompany H.R. 6395, William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (H.Rept. 116-617).

¹⁴³ See p.1912 from the Conference Report to Accompany H.R. 6395, William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (H.Rept. 116-617).

¹⁴⁴ See P.L. 117-81, 'National Defense Authorization Act for Fiscal Year 2022. See also the Legislative Text and Joint Explanatory Statement to Accompany S. 1605/P.L. 116-81 (Committee Print No.2) at <https://www.congress.gov/117/cprt/HPRT47742/CPRT-117HPRT47742.pdf>.

to conduct a study of the feasibility of establishing a standard housing history for all servicemembers who reside in housing provided by the military, to include an assessment of the condition of that housing at the time the servicemember moved into the housing unit and the condition of that housing at the time the servicemember vacated the housing unit.

Required Report: Not later than September 30, 2022, the Secretary of Defense is required to submit the feasibility study directed by this provision to the Committee on Armed Services of the House of Representatives, the Committee on Armed Services of the Senate, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

Section 608.

Report on temporary lodging expenses in competitive housing markets. This provision requires the Secretary of Defense to submit a report about the policy that provides temporary travel expenses for servicemembers who are changing duty assignments, intend to receive a Basic Allowance for Housing and are looking for a home to rent or buy in their new location. Specifically, the provision directs the report to address whether a 10-day allowance for lodging expenses is sufficient for servicemembers to find new homes in highly competitive housing markets.

Required Report: Not later than 180 days after the date of the enactment of this Act (June 25, 2022), the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report.

Section 609.

Report on Rental Partnership Programs. This provision directs the Secretary of Defense to provide a report about the DOD's Rental Partnership Program (RPP), which is a military program that helps connect servicemembers with local private landlords who have been vetted by the military housing officials and agree to provide a discount to military servicemembers.

Required Report: Not later than 120 days after the date of the enactment of this Act (April 26, 2022), the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the RPP program, to include the number of servicemembers who participate in the program and any recommendations for future funding for the program.

Section 2811.

Modification of calculation of military housing contractor pay for privatized military housing. This provision amends the FY2019 NDAA provision for calculating payments to privatized military housing companies.

Required Report: None

Section 2812.

Applicability of window fall prevention requirements to all military family housing whether privatized or Government-owned and Government-controlled. This provision transfers, redesignates and amends a statute that imposes requirements for window fall prevention measures in military family housing. The amendment expands the requirements for window fall prevention measures to apply to all military family housing.

Required Report: The provision amends an existing annual reporting requirement under Sect. 2857(d) for the Secretaries of the military departments to submit an annual report (no later than 90 days after the end of each calendar year) about incidents involving a minor child who is

injured or killed as the result of an unintentional window fall in a military family housing unit. The provision's amendment to that existing requirement directs the Secretaries of the military departments to also include in the FY2022 report an implementation plan for carrying out the new requirement for window fall prevention measures to apply to all military family housing.

Section 2813.

Applicability of disability laws to privatized military housing units and clarification of prohibition against collection from tenants of amounts in addition to rent. This provision amends Title 10, Section 2891, of the *U.S. Code*, to prohibit charging additional fees to military families who require modifications of housing units to comply with Section 804 of the Fair Housing Act (42 U.S.C. §3604) and Title III of the Americans with Disabilities Act of 1990 (42 U.S.C. §12181 et seq.).

Required Report: None.

Section 2814.

Required investments in improving military unaccompanied housing. This provision requires the military make investments in the improvement of unaccompanied military housing using Facilities Sustainment, Restoration, and Modernization funds in an amount equal to five percent of the estimated replacement cost of the total inventory of unaccompanied housing under the jurisdiction of that Secretary. The provision imposes the requirements for the FY2022-FY2026.

Required Report: None.

Section 2815.

Improvement of security of lodging and living spaces on military installations. This provision requires the Secretary of Defense to conduct an assessment of on-base dormitories and barracks at military installations to evaluate security measures including door locks, window locks, the need for security cameras and other security measures as necessary to prevent crime, including sexual assault.

Required Report: Not later than 270 days after the date of the enactment of this Act (September 23, 2022), the Secretary of Defense shall submit to the congressional defense committees a report on the results of the assessment, to include a cost estimate to make any improvements recommended and an estimated schedule for making such improvements.

Additional Requirements in the Joint Explanatory Statement accompanying the FY2022 NDAA:

Required investments in improving military unaccompanied housing (sec. 2814)¹⁴⁵

The committee directs the Comptroller General of the United States to conduct an independent assessment of the condition of unaccompanied military housing and the military services' use of FSRM funding to support unaccompanied military housing.

Required Report: The Comptroller General shall provide a briefing on the assessment to the Committees on Armed Services of the Senate and the House of Representatives, not later than February 2, 2022. The provision also requires the Comptroller General to provide the same congressional committees with a report on the same topic no later than December 31, 2022.

¹⁴⁵ See p. 1246-1247 from the Legislative Text/Joint Explanatory Statement to Accompany S. 1605/P.L. 116-81, National Defense Authorization Act of Fiscal Year 2022 (Committee Print No.2).

Comptroller general study on management by Department of Defense of military housing in areas with limited available housing for private citizens¹⁴⁶

The committee directs the Comptroller General of the United States to conduct a study of DOD's management of the privatized military housing and military housing owned by the Department in areas with limited available housing for private citizens.

Required Report: The committee directs the Comptroller General to brief the committees on Armed Services no later than 90 days after the date of the enactment of this Act (March 27, 2022). The briefing should include information about the number of servicemembers who choose to live in private-sector housing, the availability of private-sector housing in areas surrounding military installations, and the DOD's process for determining when to initiate new privatized housing projects. The committee also directs the Comptroller General to submit to the Congressional committees a report on the study conducted, not later than 180 days after the date of the enactment of this Act (June 25, 2022).

MHPI Provisions in the FY2023 NDAA¹⁴⁷

Section 2807.

Specification of Assistant Secretary of Defense for Energy, Installations, and Environment as Chief Housing Officer. This provision amends Title 10, Section 2851a, of the *U.S. Code*, to designate the Assistant Secretary of Defense for Energy, Installations, and Environment as the Chief Housing Officer, who oversees DOD's privatized housing programs for family housing and military unaccompanied housing.

Required Report: None.

Section 2808.

Clarification of exceptions to limitations on cost variations for military construction projects and military family housing projects. This provision amends Title 10, Section 2853(c)(1) of the *U.S. Code*, to restrict the Secretaries of the military departments from waiving the cost limitations for a military construction project with a total authorized cost greater than \$500,000,000 or a military family housing project with a total authorized cost greater than \$500,000,000 if that waiver would increase the project cost by more than 50 percent of the total authorized cost of the project.

Required Report: None.

Section 2821.

Standardization of military installation Housing Requirements and Market Analyses. This provision codifies a requirement for the Military Services to conduct a Housing Requirements and Market Analysis (HRMA) at least once every five years for individual installations. The HRMA is an assessment of both the suitability and availability of the private sector rental housing market.

¹⁴⁶ See p. 1258 from the Legislative Text/Joint Explanatory Statement to Accompany S. 1605/P.L. 116-81, National Defense Authorization Act of Fiscal Year 2022 (Committee Print No.2).

¹⁴⁷ ¹⁴⁷ See P.L. 117-263, James M. Inhofe National Defense Authorization Act for Fiscal Year 2023. Also see Joint Explanatory Statement accompanying the FY2023 NDAA, at https://www.armedservices.senate.gov/imo/media/doc/fy23_ndaa_joint_explanatory_statement.pdf.

Required Report: Not later than January 15, 2023, the Secretaries of the military departments will provide to congressional committees a list of military installations for which the Secretary concerned plans to conduct an HRMA during FY2023.

Section 2822.

Notice requirement for MHPI ground lease extensions. This provision requires the Secretaries of the military departments to notify congressional defense committees in writing and briefing if the military departments enter into any new negotiations with privatized housing companies for the extension of a lease for military grounds or facilities.

Required Report: “Not later than 60 days after beginning negotiations to extend the term of any ground lease of property or facilities under this section; the military secretaries will notify Congress. The secretaries concerned must notify the congressional defense committees not later than 90 days before extending the term of any ground lease of property or facilities under this section. The report should include the housing company’s maintenance response times, debt-to-net operating income ratio for the property or facility; the occupancy rates subject to the ground lease.”

Section 2823.

Annual briefings on military housing privatization projects. This provision amends Title 10, Section 2884, of the *U.S. Code*, to add a new annual briefing requirement. The briefing is to include information about any MHPI housing projects that are expected to require the restructuring of a loan, including any public or private loan; and a timeline for when such restructuring is expected to occur.

Required Report: The briefing required by this provision should be provided to the Committees on Armed Services of the Senate and House of Representatives, and the briefing should cover the 12-month period preceding the date of the briefing.

Section 2824.

Mold inspection of vacant housing units. This provision amends Title 10, Section 2891a of the *U.S. Code*, to require a mold inspection of each vacant housing unit before any new tenant moves into the unit; and a requirement that the new tenants receive the results of that inspection.

Required Report: None.

Section 2825.

Implementation of recommendations from audit of medical conditions of residents in privatized military housing. This provision requires the Secretary of Defense to implement the recommendations contained in the report of the Inspector General of the Department of Defense published on April 1, 2022, and titled “Audit of Medical Conditions of Residents in Privatized Military Housing” (DODIG–2022–078). The provision requires the implementation no later than March 1, 2023.

Required Report: None.

Section 2853.

Reporting on lead service lines and lead plumbing. This provision requires the Under Secretary of Defense for Acquisition and Sustainment to submit a report listing all military installations and family housing projects – including both privatized family housing and government-owned family housing – that receive drinking water serviced by lead pipes. The report should also include an evaluation of whether the installations and/or privatized housing projects are in

compliance with the Lead and Copper Rule.¹⁴⁸ The report should also include a plan and timeline for bringing all housing facilities into compliance with those regulations.

Required Report: The provision requires the Under Secretary of Defense for Acquisition and Sustainment to deliver an initial report to the congressional defense committees no later than Jan. 1, 2025. After that, the Secretary of Defense should provide annual reports updating efforts to fully comply with the Lead and Copper rule. The Secretary of Defense should include the annual reports as a part of the annual report on defense environmental programs required under Title 10, Section 2711, of the *U.S. Code*.

Section 11416.

Study on Coast Guard housing access, cost, and challenges. This provision directs the Comptroller General of the United States to conduct a study on housing access, cost, and associated challenges facing members of the Coast Guard.

Required report: The provision requires the Comptroller General to deliver the findings of this study, no later than one year after commencing the study (March 23, 2024), to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The provision also requires the Commandant of the Coast Guard, no later than 180 days after the submission of the study's findings, to publish a strategy for addressing housing issues identified by the study.

Section 11417.

Audit of certain military housing conditions of enlisted members of Coast Guard in Key West, Florida. This provision directs the Coast Guard Commandant, in coordination with the Secretary of the Navy, to conduct an audit to assess housing issues at Naval Air Station Key West Sigsbee Park Annex.

Required Report: The provision directed the Commandant of the Coast Guard to submit, no later than 120 days after the enactment of the provision (April 22, 2023), a report about the results of the audit. The Commandant should submit the report to the Committee on Commerce, Science, and Transportation and the Committee on Homeland Security and Governmental Affairs of the Senate; and the Committee on Transportation and Infrastructure and the Committee on Homeland Security of the House of Representatives.

Section 11418.

Study on Coast Guard housing authorities and privatized housing. This provision directs the Comptroller General of the United States to conduct a study evaluating the Coast Guard's housing needs and options to address those needs, to include public-private partnerships, long-term lease agreements, and private housing. The study should include an evaluation of how available authorities may differ between the DOD and the Coast Guard. It should also include an assessment of lessons learned by the DOD's experience with privatized housing programs.

Required Report: The provision directs the Comptroller General to submit a report about the results of this study no later than one year after the date of enactment of this section (December 23, 2024), to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The provision also requires the Commandant or Secretary to provide a briefing to the same congressional committees to outline a plan for addressing the issues raised by the Comptroller General's study.

¹⁴⁸ For more information about the Lead and Copper Rule, see Code of Federal Regulation, 40 CFR, Part 141, Subpart I, at <https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-141/subpart-I>

Section 11419.

Strategy to improve quality of life at remote units. This provision directs the Commandant of the Coast Guard to develop, within 180 days of enactment of the provision, a strategy to improve quality of life for members of the Coast Guard and their dependents who are stationed in remote units. The strategy should include addressing any housing affordability issues facing those Coast Guard members and their families.

Required Report: The provision directs the Commandant to provide a briefing about the strategy to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives.

Additional Requirements in the Joint Explanatory Statement accompanying the FY2023 NDAA:

Screening and registry of individuals with health conditions resulting from unsafe housing units¹⁴⁹

The conferees direct the Secretaries of the military departments to provide a briefing to the Committees on Armed Services of the Senate and the House of Representatives on how they monitor the health of servicemembers and their families who may have experienced unsafe housing conditions.

Required Report: The provision directs the Secretaries to provide the briefing not later than 180 days after enactment of this provision (June 21, 2023).

Privatization of Navy and Air Force transient housing¹⁵⁰

The conferees direct the Secretary of the Navy and the Secretary of the Air Force to provide a briefing about the possibility of privatizing transient housing programs, the potential steady state cost avoidance that could be anticipated, and the impact on traveling servicemembers.

Required Report: The provision directs the Secretaries to provide the briefing to the congressional defense committees – the House and Senate Armed Services Committees and the House and Senate Appropriations Committees – no later than December 1, 2023.

Study of military housing resilience and energy efficiency¹⁵¹

The conferees direct the Secretary of Defense to provide a briefing about the DOD's compliance with the Unified Facilities Criteria codes, specifications, and standards that incorporate the latest hazard-resistant and energy-efficient designs. The briefing should include an assessment of deficiencies, costs, and timelines to relocate, rehabilitate, repair, or retrofit as needed all military housing, including barracks, family housing, and privatized family and unaccompanied housing, to ensure health, safety, energy security, and resilience.

Required Report: The provision directs the Secretary of Defense to provide the briefing to the congressional defense committees no later than November 1, 2023.

¹⁴⁹ See p.1962 of the “Legislative Text and Joint Explanatory Statement to Accompany H.R. 7776” Book 2, January 2023, House Armed Services Committee Print No. 2.

¹⁵⁰ See pp.2141-2142 of the “Legislative Text and Joint Explanatory Statement to Accompany H.R. 7776” Book 2, January 2023, House Armed Services Committee Print No. 2

¹⁵¹ See p.2144 of the “Legislative Text and Joint Explanatory Statement to Accompany H.R. 7776” Book 2, January 2023, House Armed Services Committee Print No. 2

Directing the Secretary of Defense to deliver a briefing on housing with respect to junior members of the Armed Forces¹⁵²

The conferees direct the Secretary of Defense to provide a briefing about housing issues facing junior enlisted members of the armed forces and the DOD's plans to identify and address housing shortages as specific installations.

Required Report: The conferees directed the Secretary of Defense to provide the briefing to the congressional defense committees no later than March 1, 2023.

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¹⁵² See p.2148 of the "Legislative Text and Joint Explanatory Statement to Accompany H.R. 7776" Book 2, January 2023, House Armed Services Committee Print No. 2.