

RECORD VERSION

STATEMENT BY

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Chairman Garamendi, Ranking Member Waltz, and Members of the Subcommittee, thank you for the opportunity to testify on how the Army is preparing for the challenges ahead by working to increase overall Army readiness through the Installation, Energy, and Environment portfolios and answer any questions you may have. Thank you for your continued support and commitment to our Soldiers, Civilians, and Families. Your guidance and leadership continue to be instrumental in our shared pledge to successfully defend our Nation and its interests, and I look forward to working with the Committee to achieve mutual goals of ensuring readiness at military installations, while continuing to modernize and be resilient in the face of climate change.

Introduction

Modernized installations enable a modernized force. Any operational deployment begins from an installation where our Soldiers work, train, drill, and live. In addition to providing our Soldiers and Families with basic necessities, our installations are the initial critical part of the deployment chain. Given current threats, we must plan for any future deployments to be conducted from a contested homeland. Only a modern, resilient installation will give the Army the capability to effectively project power under adverse conditions.

The Army foundational priorities of people, readiness, and modernization guide our strategies and investments. Secretary Wormuth recognizes and focuses on people being at the core of everything we do. The core of our installations mission is to support the people, the training, the education, the work, and the lives of our Soldiers and Families.

The Army must adapt installations, acquisition programs, and training to be able to operate in a changing environment. I look forward to sharing with you the transformative work being accomplished by the Army's installation management community in support of our people, readiness, and modernization, such as housing and barracks investments; ongoing environmental cleanups in support of healthy

Soldiers, communities, and environments; and our cross-cutting focus on climate, energy, and mission resilience in all that we do.

Army Climate Strategy

The Army's mission is to fight and win the Nation's wars. Extreme weather events and severe environmental changes are already affecting Army installations and operations. Our Soldiers and Families are feeling the direct effects of climate change, including flash flooding at Fort Hood in 2016, wildfires at Fort Hunter Liggett in 2019, and a significant ice storm at Fort Hood in 2021. The Army is regularly called upon to conduct disaster response operations following climate change-induced events. In February 2022, the Army became the first service to release a Climate Strategy to enable our force to effectively operate in a changing environment, strengthen the resiliency of our installations, and increase the capabilities of our force.

The Army Climate Strategy enables our forces to more effectively operate in a climate-altered world through three lines of effort—installations; acquisition and logistics; and training. Fighting and winning our Nation's wars begins at our installations and we must be able to effectively project our power from a contested homeland and under any adverse conditions. This strategy increases our capabilities and the resilience of our installations even after an adverse event. For example, renewable energy generation on a base, paired with battery storage and a microgrid, will better enable the Army to self-sustain its critical missions on our installations and will make us less dependent on a vulnerable local electric grid. On the operational side, greater fuel efficiency of our tactical vehicles will increase our capabilities by extending the range of our combat forces, while simultaneously reducing the vulnerability and burden of supply lines that often must move through contested areas. Hybridizing our combat vehicles will allow for silent overwatch by reducing the acoustic and thermal signature of our platforms, thereby greatly increasing the safety of our Soldiers. The Army Climate Strategy not only enhances the capability of our fighting force and resilience of our installations, but it also allows the Army to do its part in reducing the devastating effects climate change will have on our Nation by reducing greenhouse gas emissions.

Partnership Financing

The Office of Energy Initiatives (OEI) is the Army's central office for the development and implementation of large-scale power generation projects focused on energy resilience at installations. The office collaborates with industry and private investors to identify mutual needs and leverage those opportunities to meet the Army's efforts for on-site resilient energy, focused on creating microgrids. These microgrids are "islands" of energy availability on installations to ensure mission readiness in the event of a grid outage. OEI's work is a critical part of the Army's intent to accelerate the transition to carbon pollution-free energy sources while simultaneously increasing our installation resilience. To date, 11 projects developed by OEI are online, providing a combined 325 megawatts of energy production capacity, secured through \$627 million of private sector investment, with anticipated life-cycle operations and maintenance values of \$603 million. In addition, OEI has led two more out-grant-based resilience projects which are in the final stages of negotiation, which we hope to announce soon, once finalized.

The Army also utilizes the Department of Defense's (DoD) Energy Resilience and Conservation Investment Program (ERCIP) to reduce reliance on the grid and construct on-site power generation and associated infrastructure. OEI is actively evaluating the potential for combining ERCIP projects with existing power generation assets originally constructed through real estate out-grants or other authorities. In fiscal year (FY) 2021, we began updating our policies for Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs). The goal of these policy updates is to ensure Army installations use performance contracts as part of an overall strategic approach to sustain, restore, and modernize installations and to mitigate and adapt to climate change. After a thorough review of the ESPC/UESC process, the Army is again accelerating the processing of contracts and the evaluation of new projects. The Army is aggressively working to award approximately one dozen ESPCs and UESCs this year.

Army Infrastructure Investments

While our sustainment funding remains less than 90% of the Facilities Sustainment Model for FY 2022, we are increasing Restoration and Modernization funding to pursue targeted repairs of critical facilities. We are successfully implementing the Office of the Secretary of Defense Sustainment Management System (SMS). In FY 2022, we are using a state-of-the-art analytical tool called SMS BUILDER for condition assessments in all buildings greater than 1,000 square feet to provide a more technical assessment of facility condition and facilitate a more targeted approach to our sustainment funding.

Investments Reflect Army Priorities—People, Readiness and Modernization

The Army's greatest strength, most valuable asset, and most important weapon system is our people. The efforts we take to sustain and invest in our installations support our people by strengthening their quality of life and improving their access to housing, healthcare, and childcare. With timely, adequate, predictable, and sustained funding, we will ensure that our people remain a priority, which will help us continue to recruit, train, and retain an Army of high-quality Soldiers, prepared to win our Nation's wars.

Army Housing

Our Soldiers and Families deserve high-quality, safe housing. We remain focused on improving our privatized housing portfolio and addressing the remaining elements of the Military Housing Privatization Initiative (MHPI) reforms set out in the FY 2020, FY 2021, and FY 2022 National Defense Authorization Acts (NDAA).

The Army has made significant progress implementing reforms to enhance our oversight of privatized housing and hold MHPI companies accountable for delivering quality housing that provides a positive living experience for tenants. For example, the Army conducts housing quality assurance inspections at each change of occupancy and for all life, health, and safety maintenance work orders. We also have started implementing the third-party housing inspections required by section 3051 of the FY

2020 NDAA, as amended. Inspections commenced at Fort Meade in December 2021, representing the second installation in our pilot program to implement the NDAA requirement to inspect all privatized housing and all government-owned family housing using a uniform DoD housing standard. Our first pilot inspection was conducted at Fort Belvoir and concluded in July of 2021, with the overall privatized housing inventory rated in “good” to “excellent” condition. We have made a summary report about the Fort Belvoir inspection findings available to the committee staff and we will provide additional details at the committee’s request.

In addition, the Army has fully implemented the MHPI Tenant Bill of Rights at all of our installations with privatized housing, thereby providing military members and their families negotiating power with the private companies that own and manage MHPI housing. In addition, we continue to host weekly housing meetings with key stakeholders and privatized housing companies to review the physical and financial condition of our MHPI housing, as well as the status of any families displaced due to maintenance and repair actions. We have hired independent third-party experts to perform comprehensive financial and development reviews, and have completed 14 audits of MHPI project business practices with another seven in progress. The Army also has established an enforceable incentive fee metric to reward improved work order response times, achieve better quality work, and increase resident satisfaction, consistent with DoD policy guidance issued in October 2019.

The Army’s privatized housing providers have obtained up to an additional \$1.5 billion in private sector sourced financing and are reinvesting another \$1.6 billion of retained earnings to make or accelerate needed housing improvements across the Army portfolio. Furthermore, the Army has invested \$905 million over the past three years (FY 2019-2021) in Army-owned housing improvements and construction, mostly overseas, and we have hired more than 114 additional housing personnel to enhance oversight of Army’s portfolio including MHPI housing projects, serve as designated resident advocates, and/or provide housing referral services including support to military families who need accessible housing.

Our unaccompanied housing (UH) challenges are being addressed through Facilities Sustainment, Restoration, and Modernization efforts, as well as Military Construction. This has resulted in \$2.4 billion invested in barracks for construction and restoration and modernization over the last three years (FY 2019-2021) with billions more programed in the future to ensure we maintain our current momentum. The Army is focused on modernizing barracks standards that incorporate user feedback, provide privacy and security, and incorporate the latest technology. For example, we have implemented the Army Maintenance Application, which allows Soldiers to quickly submit a maintenance claim without having to wait for their chain of command to input a work order. Finally, the Army recently began evaluating opportunities to address UH requirements within a more holistic Army Barracks Strategy. The Army's goal is to find multiple solutions to apply across our installations to ensure every Soldier has the opportunity to live in a high quality, fully functional environment that is conducive to military readiness.

Child Care

Another important component to taking care of people is providing the opportunity for quality child care where availability of off-post care is limited in many communities, reducing options for Soldiers who cannot access on-post care. The Army is implementing mitigation strategies to maintain and, in some cases, increase access to child care, which includes adding and expanding Child Development Centers over the next ten years. The Army also has a robust Army Fee Assistance program that buys down the cost of community child care for approximately 10,000 children per day when a family has limited access to installation child care or a family's duty station is not at an installation. The Army is also incentivizing spouses to increase the number of Family Child Care (i.e., home-based) providers.

Strengthen Readiness and Address Modernization Needs

Modernized installations enable a modernized force. The Army is programming upgrades to maintenance facilities, motor pools, ranges, readiness centers, network infrastructure, administrative facilities, secure facilities, and utilities to facilitate a modern

and ready Army. Force projection requires assessment of roads and highways, bridges, ramps, marshaling yards, ammunition supply points, railways, and airfields. Real property master planning processes will become more technically sophisticated, using data-informed analysis and modeling to integrate new specifications of modern equipment and achieve better environmental analysis necessary to fulfill requirements of the National Environmental Policy Act as new weapon systems are fielded.

Safety and Occupational Health

Ensuring our Soldiers and Civilians are ready to support the Army mission requires extensive continual investments in proactive injury and illness prevention both on the installation and when deployed. In FY 2022, the Army is focusing efforts on the deployment of the Army Safety and Occupational Health Management System. This requirement will ensure each command is implementing and evaluating those safety and occupational health policies that proactively address command-specific risks. The Army is also fielding the Army Safety Management Information System 2.0, an updated information technology system to collect and analyze mishaps, to evaluate health and safety hazards through inspections, and a risk management system to evaluate and track hazards. Additionally, the Army is developing prevention through design and facilities systems safety policies to identify and reduce safety and occupational health risks in our facilities. The adoption of these modern practices are critical to Army readiness, to the health and safety of our Soldiers and Civilians, and to the long-term use and the disposal of our facilities. The Army will continue to invest in the readiness of its safety and occupational health workforce through training, education, and partnerships.

Promote Environmental Stewardship

The Army's Environmental Program encompasses a broad range of legal compliance and management efforts that support clean air and water, maintain natural, cultural, and Native American resources, and sustain Soldier training and readiness on the Army's 13.6 million acres of land. The program area includes requirements of the National Environmental Policy Act, Clean Water Act, Safe Drinking Water Act, Clean Air

Act, Comprehensive Environmental Response, Compensation and Liability Act, and Resource Conservation and Recovery Act, among others. The Army maintains 4,902 environmental permits. Army installations were inspected 787 times by environmental regulatory agencies in FY 2021 and were issued only 34 Enforcement Actions. The Army's environmental program also helps maintain access to testing and training lands and ensure stewardship of natural and cultural resources through compliance with natural, cultural, and Native American resource conservation laws including the Endangered Species Act, Sikes Act, National Historic Preservation Act (NHPA), and Native American Graves Protection and Repatriation Act (NAGPRA), among others. The Army manages the largest number of endangered species and historic properties in the DoD. The Army has 261 threatened and endangered plant and animal species on 146 installations and facilities, 1.3 million acres of wetlands, 84,437 archeological sites, 180 Native American sacred sites and traditional cultural properties, 21,000 Native American NAGPRA cultural items, 57,362 historic buildings subject to the NHPA, and 19 National Historic Landmarks. The Army maintains a leadership role among the military departments due to the magnitude of our resources and our success in achieving positive outcomes for the readiness mission and stewardship resources, to include successes in establishing Army Compatible Use Buffers for endangered species management and program comments to comply with historic housing management requirements under section 106 of the National Historic Preservation Act.

Remediate Contaminants

To address per- and polyfluoroalkyl substances (PFAS), the Army has taken a three-pronged approach focused on cleaning up past releases, testing drinking water, and mitigating the use of aqueous film-forming foam (AFFF). As of December 31, 2021, the Army is conducting PFAS assessments at 337 installations in the United States and its territories. We continue to test our Army-owned drinking water systems regularly and take immediate action in instances where measured levels exceed the Environmental Protection Agency's lifetime Health Advisory levels. Finally, the Army only uses AFFF for fire emergencies. The Army is committed to prioritization of our worst sites, transparency about our cleanup progress, and expansion of our public outreach. The

Army's priority remains the health and safety of our Service members, their Families, our Army Civilians, and the communities surrounding our installations.

Conclusion

Modern installations enable a modern force and Army Readiness begins on our installations. We must continue our efforts to be resilient in the face of climate change. Ready and resilient installations will ensure our Soldiers are able to properly train and deploy globally from a contested homeland to fight and win our Nation's wars. The Army is guided by our priorities of people, readiness, and modernization; our installations provide the foundation for these priorities.

Your continued support helps ensure we will remain a ready, lethal, and sustainable force for future generations. Thank you for the opportunity to present this testimony and for your continued support of our Soldiers, Civilians, and Families.