

**MILITARY CONSTRUCTION, VETERANS AFFAIRS,  
AND RELATED AGENCIES APPROPRIATIONS  
FOR FISCAL YEAR 2022**

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**HEARINGS**

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED SEVENTEENTH CONGRESS

FIRST SESSION

ON

**H.R. 4355/S. 2604**

MAKING APPROPRIATIONS FOR MILITARY CONSTRUCTION, THE DEPARTMENT OF VETERANS AFFAIRS, AND RELATED AGENCIES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2022, AND FOR OTHER PURPOSES

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**Department of Defense  
Department of Veterans Affairs**

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# CONTENTS

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## HEARINGS

WEDNESDAY, JUNE 16, 2021

Page

Department of Defense Military Construction and Family Housing .....	1
---	---

WEDNESDAY, JUNE 23, 2021

Department of Veterans Affairs .....	53
--------------------------------------	----

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## BACK MATTER

List of Witnesses, Communications, and Prepared Statements .....	99
Subject Index:	
Department of Defense .....	101
Department of Veterans Affairs .....	102



**MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2022**

WEDNESDAY, JUNE 16, 2021

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 10:01 a.m. in room SR-192, Dirksen Senate Office Building, Hon. Martin Heinrich (chairman) presiding.  
Present: Senators Heinrich, Tester, Boozman, Murkowski, Hoeven, Collins, and Hagerty.

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION AND FAMILY HOUSING

STATEMENT OF PAUL CRAMER, PERFORMING THE DUTIES OF ASSISTANT SECRETARY OF DEFENSE FOR SUSTAINMENT

OPENING STATEMENT OF SENATOR MARTIN HEINRICH

Senator HEINRICH. Good morning, everyone. This hearing of the Military Construction Veteran's Affairs and Related Agencies Appropriation Subcommittee is now called to order.

I would very much like to thank our witnesses for being here today. From OSD we have Mr. Paul Cramer performing the duties of assistant secretary of defense for sustainment. Representing each of the Services are: Lieutenant General Jason Evans, Deputy Chief of Staff, G-9 Installations; Vice Admiral Ricky Williamson, Deputy Chief of Naval Operations for Fleet Readiness and Logistics; Lieutenant General Charles Chiarotti, Deputy Commandant, Installations and Logistics; and Lieutenant General Warren Berry, Deputy Chief of Staff for Logistics, Engineering, and Force Protection.

This year the Department has sent over a budget request of 9.85 billion for the Military Construction and Family Housing accounts. That is a 20 percent increase over last year's request. I am encouraged to see DOD taking seriously the need to invest in its infrastructure, which is the foundation of military readiness.

In addition to significant increases to most Service accounts, the request demonstrates a clear intent to prioritize quality of life projects for our Service members and their families. While the request rebounds from a significant decrease last year, it remains lower than fiscal years 2019 and 2020, and still accounts for just over 1 percent of the total DOD budget.

At the same time the need for recapitalization of existing facilities and new mission infrastructure continues to grow. Our subcommittee hearing last month highlighted the vulnerable state of many of our aging and outdated facilities. Broadly, this is a step in the right direction, but we need sustained and dedicated investment over more than just 2 years. The request, notably, does not include funding for overseas contingency operations, shifting those projects which are part of the European Deterrence Initiative into the base budget, which is a more appropriate place for them. This move is long overdue and I applaud it.

I am encouraged by the Department's increased focus on energy resilience, specifically the Energy Resilience and Conservation Investment Program, or ERCIP, saw a 73 percent increase over last year's budget. This program which is a critical resource to improve energy resilience had been held flat in budget requests for the past decade, relying on congressional increases to address rising demand and more complex and expensive projects.

Within this program there is also a \$10 million request for planning and design funds associated with electric field—vehicle infrastructure upgrades. I have been vocal about the need for the United States to embrace and accelerate electrification. And the Department needs to understand its capacity and plan for its requirements at an installation and at a community level.

I look forward to hearing from the witnesses about what the funding request for ERCIP will achieve, and whether it is meeting the existing need. I am encouraged by the increase for ERCIP, but I would also note that there are 10 projects on the ERCIP unfunded priority list totaling some \$162 million, which may not even account for the full need. So I look forward to hearing from our witnesses today about the need for these additional projects and the ability to execute them in fiscal year 2022 should additional funding be provided.

While this request includes many positive stories, we also continue to see the negative impacts of the previous administration's decision to raid funding for military construction projects for border wall construction. There are 16 projects that were defunded and that are included in the fiscal year 2022 request for Congress to appropriate funding to again. The cost of these projects is \$221 million more than the level at which they were originally appropriated.

I understand these projects were anticipating some unrelated cost increases prior to the diversion, but we lost 2 years of trying to tackle those challenges because of the decision to pull funding and stop design, and taxpayers are paying for that now.

For example, in my home state, the MQ-9 Formal Training Unit Operations Facility at Holloman Air Force Base originally funded 3 years ago, remains in a dilapidated state, and our airmen have been working in unsafe conditions for far too long.

General Berry, I appreciated our conversation on the subject yesterday and look forward to working together to find a solution in the fiscal year.

I would also call attention to the fact the Federal government will need to address critical safety concerns and undertake environmental remediation projects that are now necessary because of

some of this construction. I understand that the Department of Defense will likely not be the lead agency for this effort, but I will remain engaged on this front.

Lastly, I must note my disappointment that the budget documents do not include FY DPs. I understand the delays associated with the Presidential transition this year, and that it is not your decision to withhold this information, but these lists are truly critical to our ability to conduct oversight, understand the Department's planning and appropriately resource its military construction needs. I hope you will bring that message back with you after today.

And with that, I will recognize the Ranking Member.

STATEMENT OF SENATOR JOHN BOOZMAN

Senator BOOZMAN. Thank you, Mr. Chairman. And again, I also would like to extend a welcome to our witnesses here today, and we certainly appreciate your service to our country, and look forward to discussing the President's fiscal year 2022 Budget Request for military construction, family housing, and base realignment and closure for the Department of Defense.

This year's budget request of \$9.8 billion reflects a 22 percent increase over the fiscal year 2021 enacted level of 8.1 billion. While that appears to be a large increase it is worth noting that the fiscal year 2021 was such a low year for MILCON that even with an almost \$2 billion increase this year's budget request is still one of the lowest MILCON request in recent years.

Additionally, this year's request includes \$329 million of European Deterrence Initiative projects that in the past would have been part of the OCO request, which has been shifted to the base. More than 1 billion of the budget is made up of increments on— for previously appropriated projects, and 661 million is to restore deferred projects. This accounts for approximately 22 percent of the budget request, leaving less for new requirements.

Further, large projects continue to take up a greater share of the budget, the increased complexity of facilities needed to support today's weapons systems combined with multi-billion dollar recapitalization initiatives to culminate in large and complex projects.

Without a corresponding increase in top line, affordability will continue to decrease as the cost of construction projects continues to rise. This is a recurring theme and a familiar talking point. We have the same discussion year after year, and I am worried that MILCON requirements will continue to exceed the resources put towards it as the Department continues to take risk in infrastructure.

The reality is, we will likely continue the same discussion with flatter declining top lines anticipated in the years ahead. We need to, therefore, make progress and realize efficiencies with the MILCON reform efforts being worked by the Department in Services. This is another frequent talking point, and it is something we point to year after year, but I am not sure that has yet translated to tangible improvements. We need to identify and implement best practices to lower cost, reduce schedule, and ultimately increase project delivery success.

I would also like to highlight the disservice we do to ourselves when we do not adequately invest in the sustainment, restoration, and modernization of our existing facilities. While new mission requirements drive the need for new MILCON, replacing existing or failing facilities also drives up requirements. While buildings will eventually exceed their expected life, deferred maintenance and repairs can accelerate the need for major recapitalization in MILCON.

More importantly, infrastructure in poor condition takes a toll on the Service members that work, train and live in these facilities. We need to improve our existing infrastructure, not just to possibly reduce future MILCON requirements, but we owe it to our Service members and their families to provide safe and secure facilities, from mission-critical facilities to dorms, barracks, and quality of life supporting infrastructure.

Our infrastructure is a critical part of our national security and directly contributes to current and future force readiness. We must work smarter and find innovative solutions to deliver facility investments. And with a constrained environment, I look forward to working with the Department to achieve this goal.

And, again, we appreciate your efforts that this is—as I said, this is not unique to this administration. This is something that we face year after year. MILCON has been, you know, and is significantly underfunded. So again, we look forward to working with you to figure out how we can do more with the dollars that we have.

Thank you, Mr. Chairman.

Senator HEINRICH. Thank you, Senator Boozman. And we will now turn to the witnesses for their opening statements; your full written testimony will be included in the record and you will each be recognized for three minutes to summarize those remarks.

And Mr. Cramer, you may start.

#### SUMMARY STATEMENT OF MR. PAUL CRAMER

Mr. CRAMER. Senator, can you hear me?

Senator HEINRICH. I can.

Mr. CRAMER. Okay.

Senator HEINRICH. I think your mic is on.

Mr. CRAMER. Okay, good. Thank you. Chairman Heinrich, Ranking Member Boozman, and distinguished members of the subcommittee. On behalf of myself and my Service colleagues, thank you for the opportunity to present the President's fiscal year 2022 Budget Request for the Department's Energy, Installations, and Environment Program.

While my written statement has been submitted for the record, I will highlight a few key areas. Our installations remain one of our primary weapon systems, while we have been able to operate from these bases that afforded us unprecedented power projection capabilities, today the stark reality is that the homeland is no longer a sanctuary. Therefore, we must ensure that our installations are not only postured to support the Joint Force, but they are resilient against the full range of man-made and natural threats.

Our fiscal year 2022 budget request supports our efforts to address mission requirements, ensure Service members have a full, have a safe and resilient place to live and work, and also begins

to address resilience challenges. We are requesting \$26.1 billion for military construction and sustainment restoration and modernization funding to address critical-mission requirements, and life, health, and safety concerns within our current fiscal environment.

This funding will be used to replace, repair, and modernize facilities to enhance their resilience to climate events and promotes elimination of excess or obsolete facilities. A key focus of this year's budget request is addressing climate change. The changing climate will continue to amplify operational demands on the force. The great installations and infrastructure, increased health risks to the Service members, and require modifications to much of our existing and planned equipment.

Extreme weather events are already costing billions of dollars, and those costs are likely to increase. In response to Executive Order 14008, tackling the climate crisis at home and abroad, the Department developed the DOD Climate Adaptation Plan, which will be finalized later this month.

The plan identifies five key lines of effort. The first one, eliminate or develop a climate-informed decisionmaking process, train, test, and equip a climate-ready force, resilient, build, and natural infrastructure, supply chain resilience, and innovation, and enhanced adaptation and resilience through collaboration. We are also committed to protecting the quality of life for our personnel and families.

Our primary focus here is ensuring access to safe, high quality, affordable family and unaccompanied housing. Our budget includes \$1.4 billion to support our worldwide non-privatized family housing inventory, which includes more than 34,000 in government owned, and 5,800 lease units. This request also demonstrates our continued commitment to modernizing unaccompanied family housing was more than \$477 million requested for eight construction projects.

With regard to privatized housing, the Department continues to prioritize actions that improve the tenant experience and rebuild tenant trust. Our initial phase was predominantly focused on implementing the Military Housing Privatization Initiative (MHPI) Tenant Bill of Rights, and the NDAA requirements embedded in those rights. The Department has issued all policy guidance necessary to implement all rights at all MHPI projects to date. With few exceptions, all 18 tenant rights are now available.

Finally, the Department depends on the resilient delivery of energy to prepare for peer competition where even the homeland is contested. The Department is addressing a range of technological, operational, and policy initiatives to enhance the use of energy and warfighting. To that end, we are requesting 4.3 billion in energy investments, including both installation energy, and operational energy. This includes approximately 287 million for the ERCIP, as previously discussed.

A significant increase over last year's budget reflects our investment in energy systems. We appreciate Congress and this subcommittee's continued support as we work together to provide the best support possible for our soldiers, sailors, airmen, marines, guardians, and their families. I look forward to your questions.

[The statement follows:]

## PREPARED STATEMENT OF MR. PAUL CRAMER

## INTRODUCTION

Chairman Heinrich, Ranking Member Boozman, and distinguished members of the Subcommittee: Thank you for the opportunity to discuss the Department of Defense's (DoD) posture as it relates to energy, installations, and environment in the President's Fiscal Year (FY) 2022 budget request.

Our installations remain one of our primary weapon systems. For nearly 80 years, we have been able to operate from our bases around the world with near-impunity, which has afforded us unprecedented power projection capabilities. However, the stark reality is that the homeland is no longer a sanctuary. Therefore, we must ensure that our installations are not only postured to support the Joint Force, but that they are resilient against the full range of man-made and natural threats. The FY 2022 President's Budget Request supports our efforts to address these resilience challenges, while also addressing mission requirements and ensuring Service members have a safe and resilient place to live and work.

## KEY AREAS OF CONCERN

Before I review the details of the budget request, I would like to provide updates on two key issues, specifically climate change and the Military Housing Privatization Initiative (MHPI).

## CLIMATE CHANGE

In the words of Secretary Austin, the Department faces a "growing climate crisis that is impacting our missions, plans, and capabilities and must be met by ambitious, immediate action." Climate change will continue to amplify operational demands on the force, degrade installations and infrastructure, increase health risks to our service members, and require modifications to much of our existing and planned equipment. Extreme weather events are already costing the Department billions of dollars and those costs are likely to increase as climate change accelerates.

As the Department's Chief Sustainability Officer, ASD (Sustainment) oversaw the development of the DoD Climate Adaptation Plan (CAP), that was developed per Executive Order (EO) 14008, Tackling the Climate Crisis at Home and Abroad, and will be finalized later this month. The CAP identifies five lines of effort: Climate-Informed Decision-Making; Train, Test, and Equip a Climate-Ready Force; Resilient Built and Natural Infrastructure; Supply Chain Resilience and Innovation; and Enhance Adaptation and Resilience Through Collaboration. The four cross-cutting enablers for these lines of effort are continuous monitoring and data analytics, innovation, climate literacy, and environmental justice.

To enhance the oversight and execution of these initiatives, the Department recently established the Deputy Assistant Secretary of the Defense for Environment and Energy Resilience with OASD (Sustainment). Given the alignment between mission and climate priorities and the energy-related nature of climate initiatives, this integrated team is ideally positioned to review, prioritize, and oversee the Department's holistic climate and energy portfolio. The FY 2022 President's Budget request increases resources, staff, and expertise needed to achieve the goals of the Secretary of Defense and the President.

## MILITARY HOUSING PRIVATIZATION INITIATIVE (MHPI)

Under the overall direction of the Chief Housing Officer, the Department has made significant progress implementing actions to enhance the Military Housing Privatization Initiative (MHPI) program, consistent with our commitment to ensuring that MHPI projects provide safe, quality, well-maintained housing where our members and their families will want and choose to live.

The Department continues to prioritize MHPI reform actions that will improve the tenant experience, rebuild tenant trust, and maintain MHPI housing project financial viability. This includes implementing MHPI reforms enacted as part of the National Defense Authorization Acts for Fiscal Year (FY) 2020 and FY 2021, including requirements for a Tenant Bill of Rights, a universal lease, a dispute resolution process, and other elements.

Our initial phase has predominantly focused on implementing the MHPI Tenant Bill of Rights and the NDAA requirements imbedded in those rights, as a visible commitment to military members and their families. Based on our efforts to date, the Department has issued all policy guidance necessary to implement all rights at all MHPI housing projects.

As Congress recognized in the FY 2020 NDAA, retroactive application of the requirements at existing projects requires voluntary agreement by the respective MHPI company; the Department cannot unilaterally change the deal terms of the complex, public-private partnerships that established the MHPI projects. Nearly all of the MHPI companies have agreed to implement all eighteen tenant rights at their existing projects; however, the final right—standard documentation (focused on a universal lease framework)—is available at more than 30 installations with MHPI housing; with few exceptions, we expect all eighteen tenant rights to be fully available by the end of FY 2021.

The Department issued housing policies to reinforce and expand the Department's programmatic oversight over MHPI housing projects, focusing on five key aspects that include: 1) senior leader engagement to collaborate internally and with MHPI companies on housing issues and necessary corrective actions; 2) rebuilding trust with military members and their families; 3) accountability at all levels within DoD and by MHPI companies to perform our oversight as originally intended at the outset of housing privatization; 4) transparency and more frequent communication with MHPI Tenants; and 5) ensuring the long-term financial viability of the MHPI projects and MHPI program. Further, the Department recently established a Deputy Assistant Secretary of Defense for Housing to enhance execution of the statutorily-defined Chief Housing Officer duties and responsibilities.

Our priority going forward is to implement the remaining MHPI reform provisions that improve safety, quality, and maintenance of the privatized housing, and to ensure accountability at all levels within DoD and the MHPI companies to perform our oversight as originally intended at the outset of housing privatization.

The Department of Defense understands that family is important and honors the sacrifice that military members and their families make to serve our nation. We recognize the environment where Service members (and their families) live impacts their quality of life, their ability to do their jobs, and the Department's ability to recruit and retain the force. We are committed to working closely with you and the committee staff to ensure the long-term success of the MHPI program, and will continue to remain diligent in our oversight to ensure delivery of quality housing for military members and their families over the life of the projects.

#### MILITARY CONSTRUCTION AND FAMILY HOUSING

The President's FY 2022 budget requests \$9.8 billion for the Military Construction (MilCon) and Family Housing appropriation. This represents a \$2.0 billion or 26% increase from the FY 2021 budget request of \$7.8 billion.

The request reflects the Department's priorities in supporting the Administration's Interim National Security Strategy to address critical mission requirements and life, health, and safety concerns within the current fiscal environment. In addition to new construction needed to recapitalize the nuclear enterprise, this funding will be used to restore and modernize enduring facilities to enhance their resilience to climate events and promotes elimination of excess or obsolete facilities. The FY 2022 MilCon request includes projects that directly support operations, training, maintenance, production, and projects to take care of our people and their families, such as medical treatment facilities, unaccompanied personnel housing, and schools.

#### MILITARY CONSTRUCTION

We are requesting \$8.4 billion in the budget for Military Construction across the Department, an increase of 30% from last year's request, primarily due to infrastructure requirements for the beddown of the B-21 aircraft, investments in KC-46A depot maintenance facilities, recruit dormitories, F-35A facilities in the United Kingdom, continued Guam relocation efforts, investments in the Shipyard Infrastructure Optimization Program, and the inclusion of previously deferred Section 2808 projects (16 projects totaling \$661 million). Slightly more than half of this request provides readiness improvements in facilities to support operations, training, maintenance and production, and supply. Another \$1.1 billion funds medical facilities, troop housing, and community support, and \$206 million funds DoD's continued support to the NATO Security Investment Program.

This request also includes \$2 billion for the Defense-Wide Components, including

- \$192 million for dependent educational facilities
- \$110 million for fuel infrastructure;
- \$238 million for recapitalization of National Security Agency facilities;
- \$304 million to address new capabilities/mission, force structure growth, and infrastructure for Special Operations Forces;

- \$51 million for Washington Headquarters Services facilities; and
- \$247 million for the Energy Resilience and Conservation Investment Program.

In addition, the Defense-Wide request contains \$508 million for medical facility recapitalization including \$153 million for the fifth increment (of a \$695 million project) for the Walter Reed Medical Center Addition/Alteration; \$160 million for the fourth increment (of a \$381 million) for a new hospital at Fort Leonard Wood, Missouri; \$73 million for three veterinary treatment facilities; and \$122 million for four smaller medical treatment facilities. These projects are critical for our continued delivery of the quality health care that our service members and their families deserve.

#### FACILITIES SUSTAINMENT AND RECAPITALIZATION

Facilities sustainment represents the Department's largest category of facilities spending by providing for the regularly-scheduled maintenance and repair or replacement of facility components. These ongoing and predictable investments must be made throughout the service life of a facility to optimize its performance and support the safety, productivity, and quality of life of our personnel, while also reducing avoidable costs associated with premature deterioration.

The Department's FY 2022 budget request includes \$12.3 billion for the Military Services and the major Defense-wide organizations. This represents a sharp increase from the \$11.3 billion in the FY 2021 budget request but a slight decrease in the overall sustainment rate from 83 percent to 81 percent due to increased sustainment requirements resulting from a combination of higher sustainment costs, increased inventory, and the inclusion of costs for project design and standardized facility inspections.

In addition to facilities sustainment funding, the Department relies upon its Restoration and Modernization (R&M) program funding to provide ongoing support to assigned missions by countering obsolescence and reversing degraded conditions of existing facilities. The Department's FY 2022 budget request includes \$4.0 billion in Operations and Maintenance appropriations for facilities R&M, a slight decrease compared to our \$4.3 billion FY 2021 budget request.

#### FAMILY AND UNACCOMPANIED HOUSING

One of the Department's principal priorities is to support military personnel and their families and improve their quality of life by ensuring access to suitable, affordable housing. Service members are engaged in the front lines of protecting our national security and they deserve the best possible living and working conditions. Sustaining the quality of life of our people is crucial to recruitment, retention, readiness and morale.

Our FY 2022 budget request includes \$1.4 billion to fund construction, operation, and maintenance of government-owned and leased family housing worldwide; provide housing referral services to assist military members in renting or buying private sector housing; and oversight of privatized family housing. The FY 2022 request is \$72 million (5.3%) higher than the FY 2021 request, and \$22 million (1.6%) higher than the FY 2021 enacted amount to sustain our increased focus on ensuring the delivery and maintenance of quality housing for military families. The FY 2022 request includes \$293.2 million for construction and improvements to meet the Department's goal to maintain at least 90 percent of the world-wide Family Housing inventory at Good and Fair condition levels, to include \$92.3 million for construction of 130 Army housing units at Vicenza, Italy. The O&M budget request of \$1.12 billion represents a \$38.4 million (3.5%) increase compared to the FY 2021 request. This funding request supports more than 34,000 government-owned family housing units, most of which are on enduring bases in overseas locations, and approximately 5,800 government-leased family housing units where government-owned or privatized housing is unavailable. The requested funding will ensure that U.S. military personnel and their families continue to have suitable housing choices.

The Department's FY 2022 budget request demonstrates our continued commitment to modernize Unaccompanied Personnel Housing (UPH) to improve privacy and provide greater amenities. The FY 2022 budget request includes more than \$477 million for eight construction projects that will improve living conditions for permanent party personnel. This includes \$81 million for an Army barracks complex at Fort Meade, Maryland; \$172 million for two Air Force dormitory projects at Joint Base San Antonio, Texas, and \$43 million for a Navy barracks project in Joint Region Marianas, Guam.

## ENVIRONMENTAL PROGRAMS

Installations are key platforms for our nation's defense. We must maintain our ability to conduct realistic training and flexible operations. The Department's environmental investments support this objective through activities ranging from managing critical habitat and avoiding training restrictions to addressing drinking water health advisories and making the best use of our cleanup dollars. The President's FY 2022 Budget requests \$3.6 billion for environmental programs, keeping pace with our FY 2021 request.

## DEFENSE ENVIRONMENTAL RESTORATION PROGRAMS

We are requesting \$1.3 billion to continue cleanup efforts at the remaining Installation Restoration Program (IRP) sites and Military Munitions Response Program (MMRP) sites. The IRP is focused on cleanup of hazardous substances, pollutants, and contaminants, while the MMRP is focused on responding to unexploded ordnance and munition constituents at former military ranges. This includes \$1.0 billion for "Environmental Restoration," which encompasses active installations and Formerly Used Defense Sites (FUDS—sites that DoD transferred to other Federal agencies, States, local governments, or private landowners before October 17, 1986). The remaining \$264 million is for "BRAC Environmental."

## Progress Towards Cleanup Goals

Goal: Achieve Response Complete at 90% and 95% of Active and BRAC IRP and MMRP sites, and FUDS IRP sites, by FY 2018 and FY 2021, respectively

	Status as of the end of FY2019	Status as of the end of FY2020	Projected status at the end of FY2021
Army .....	91%	91%	92%
Navy .....	83%	83%	84%
Air Force .....	88%	85%	86%
DLA .....	84%	84%	85%
FUDS .....	87%	88%	89%
Total .....	88%	87%	88%

By the end of FY 2020, the Department, in cooperation with State agencies and the Environmental Protection Agency, completed cleanup activities at 87 percent of Active and BRAC IRP and MMRP sites, and FUDS IRP sites, and is now monitoring the results. During FY 2020 alone, the Department completed cleanup at 312 sites. Of the roughly 40,000 restoration sites, more than 33,900 are now in monitoring status or have completed cleanup.

Our focus remains on continuous improvement in the restoration program: minimizing overhead, adopting new technologies to reduce cost and accelerate cleanup, refining and standardizing our cost estimating, and improving our relationships with State regulators through increased dialogue. All of these initiatives help ensure that we make the best use of our available resources to complete cleanup.

Per- and polyfluoroalkyl substances (PFAS) are a top priority and may cause the DoD to reopen previously-made decisions, which could cause delays in achieving our goals. Additionally, some sites have no feasible solution for cleanup and, as a result, the Department is making significant investments in environmental technology to identify new potential remediation methods.

## PER- AND POLYFLUOROALKYL SUBSTANCES

The presence of per- and polyfluoroalkyl substances (PFAS) in the environment is a national issue due to its wide-spread use in many industrial and consumer products. The Department recognizes the importance of this issue and is committed to addressing PFAS in a deliberative, holistic, and transparent manner, as we continue to pursue a PFAS-free fire-fighting alternative and address our PFAS releases.

*The PFAS Task Force*

The Department established a PFAS Task Force in July 2019. This Task Force provides strategic leadership and direction to ensure a coordinated, aggressive, and holistic approach on DoD-wide efforts to address PFAS. The Task Force continues unchanged and is postured to be responsive to the direction of this Administration. The Task Force continues to focus on four main goals:

- Mitigating and eliminating the use of the current aqueous film forming foam (AFFF);

- Fulfilling our cleanup responsibilities, and
- Understanding the impacts of PFAS on human health
- Public outreach

#### *AFFF Replacement Research*

AFFF formulations in use by DoD today do not contain detectable amounts of PFOS or PFOA, but they still contain PFAS. We have an aggressive initiative to develop and demonstrate PFAS-free alternatives for AFFF. We have identified a number of commercially-available and developmental PFAS-free alternative formulations that have acceptable fire extinguishment performance against jet fuel fires. Evaluation of the aging, materials compatibility, and toxicity of these formulations is underway. The Department is committed to finding an effective firefighting alternative that meets the life-saving performance standards of AFFF and does not have negative health or environmental effects.

#### *PFAS Cleanup and Drinking Water Mitigation*

DoD follows the existing federal cleanup law (Comprehensive Environmental Response, Compensation and Liability Act (CERCLA)) and the long-standing EPA regulations for all chemicals in our cleanup program, including PFAS. The Defense Environmental Restoration Program statute provides authorities to DoD to perform and fund cleanup actions and requires they be carried out in accordance with CERCLA.

As of March 31, 2021, the Department has identified 698 installations where DoD used or potentially released PFAS. DoD has completed the initial assessment at 129 of these installations and of those, 63 were found to require no further action, while 66 are proceeding to the next step in the CERCLA process. During these initial assessments, DoD evaluates both groundwater and drinking water. If DoD identifies PFOS and/or PFOA from DoD activities in off-base drinking water above EPA's LHA, we quickly take action (i.e., a CERCLA removal action) to provide treatment or an alternative water source.

In addition, as part of our normal operations, the Department has sampled over 500 on-base DoD drinking water systems worldwide. Of those, we identified 34 with PFOS and/or PFOA above EPA's LHA and took quick action to bring those systems below 70 ppt. As of today, no one is drinking water above EPA's lifetime HA of 70 ppt where DoD is the known source.

#### ENVIRONMENTAL TECHNOLOGY

The overall FY 2022 budget request for Environmental Technology is \$131.9 million, centered on two key programs: the Strategic Environmental Research and Development Program (SERDP) and the Environmental Security Technology Certification Program (ESTCP). These Defense-wide environmental technology programs coordinate closely with the Military Services to ensure research, demonstration, test and evaluation are focused on the Departments most pressing environmental needs. Our request for SERDP, which is focused on basic and applied research, is \$51.9 million. For ESTCP, which is focused on validating more mature technologies to transition them to widespread use, we are requesting \$31.5 million for environmental technology demonstrations and \$39.9 million for energy technology demonstrations.

These programs have already achieved impactful results and have the potential to significantly reduce long-term costs by implementing new ways of treating sediment and groundwater contamination, to increase installation resilience by providing effective tools to planning staff to anticipate the impacts of climate change, and to reduce the life-cycle costs of multiple weapons systems through development and demonstration of innovative coatings and materials that avoid increasingly unavailable hazardous elements.

SERDP/ESTCP continue to invest in alternatives to incineration for disposal of AFFF-related per- and polyfluoroalkyl substances (PFAS) and development of analytical methods for PFAS in media other than drinking water in conjunction with the Environmental Protection Agency. In the critical area of installation energy, we are focused on proving technologies and solutions that cost-effectively incorporate energy storage into installation-level microgrids to improve the energy security and resiliency of our installations.

#### THE NATIVE AMERICAN LANDS ENVIRONMENTAL MITIGATION PROGRAM

Our budget request includes \$12 million for the Native American Lands Environmental Mitigation Program (NALEMP) to address environmental impacts to Indian lands, Alaska Native Claims Settlement Act (ANCSA)-conveyed properties, and trib-

al treaty rights attributable to past DoD activities. Impacts are typically associated with hazardous materials, munitions debris, underground fuel storage tanks, unsafe buildings, lead-based paint and asbestos, and abandoned equipment. Most Indian lands and ANCSA-conveyed properties are located in rural and remote areas with low population densities; thus, they might not qualify as high priority sites under DoD's traditional environmental restoration programs. The NALEMP seeks to bridge the gap between tribal needs and these traditional risk-based environmental restoration programs and incorporate tribal priorities to address potential impacts to Indian lands, ANCSA-conveyed properties, and tribal treaty rights. The goal of the NALEMP is to complete mitigation of sites by restoring health and human safety, protecting natural resources, protecting cultural resources, and returning tribal lands to optimal use.

Under the NALEMP, the DoD fosters government-to-government relationships with tribes through a Memorandum of Agreement (MOA) and then enters into two-year Cooperative Agreements (CAs) with the tribal governments. Funding provided through CAs enables tribal governments to lead NALEMP projects, incorporate "traditional ecological knowledge" into design for cleanup, and build tribal capacity regarding environmental services and technical remediation skills. Tribal governments conduct the cleanup with technical assistance and mentorship from DoD and the U.S. Army Corps of Engineers.

Eighty-eight sites in the lower 48 states and Alaska have been fully mitigated. Ninety percent of the 1,000+ potential tribal impacts reported to DoD have been assessed and 294 have been found eligible for NALEMP or are under review. In FY 2020, DoD executed a total of 13 NALEMP CAs, of which nine CAs were with Alaska Native tribes and four with Pueblo Indian tribes in New Mexico. By the end of FY2021, DoD will execute an additional 16 CAs, of which 11 CAs will be with Alaska Native tribes and five Indian tribes in the lower 48 states.

#### ENVIRONMENTAL CONSERVATION AND COMPATIBLE DEVELOPMENT

The Department's lands and waters are vital to readiness. However, they also support a diverse array of fish and wildlife species, as well as significant historic sites and resources. DoD lands provided habitats for nearly 500 that are federally protected under the Endangered Species Act, over 130,000 recorded archaeological sites, and 45 National Historic Landmarks. Our \$577 million request for Conservation will allow us to protect these resources in compliance with applicable federal statutes, and manage for healthy and resilient natural landscapes to reduce climate driven risks such as flooding and wildfire.

Regulatory protections related to threatened and endangered species and their habitats continue to pose significant mission challenges by restricting use of our existing ranges and training areas, or limiting our development of new infrastructure. However, these investments in conservation are making significant progress towards alleviating these restrictions by promoting species recovery. In partnership with the Department of the Interior and US Fish and Wildlife Service, DoD has worked to identify priority species and conservation actions which has led to the proposed down-listing or de-listing of 10 species affecting 20 military installations. Building on this success, we will continue to work with our federal, state and non-governmental partners to develop new and innovative regulatory approaches that streamline processes and provide greater mission flexibility.

Additionally, developing and implementing climate adaptation and resilience into both the natural and cultural resource programs will be a priority moving forward. Using the data and information currently available through the Defense Climate Assessment Tool (DCAT) and emerging adaptation planning guidance related to natural and cultural resource management programs, the DoD will be evaluating the use of nature based solutions, and sustaining our natural infrastructure to address climate driven risks such as restoring salt marshes or wetlands to reduce flood risk, or altering forest management practices to reduce fire risks.

Continued investments in conservation will maximize our flexibility to use our land, water, and airspace for military purposes and to address incompatible land uses beyond our fence lines, and will ensure that our military and civilian personnel have the access they need to conduct mission-essential activities. Strategies to address these conservation and climate adaptation priorities can be most effective through landscape-scale initiatives to better capitalize on both our on- installation conservation programs and our off-installation conservation partnerships through the Readiness and Environmental Protection Integration (REPI) Program.

#### *The Readiness and Environmental Protection Integration (REPI) program*

Of the Department's \$577 million budget for conservation, \$150 million is directed to the Readiness and Environmental Protection Integration (REPI) program. REPI

uniquely supports DoD's ability to seamlessly operate across domains by stimulating innovative and diverse partnerships between local communities, federal and state agencies, and non-governmental organizations to limit incompatible development and promote climate resilience around our installations and ranges. Through FY 2020, DoD has leveraged \$1.08 billion with over \$975 million in non-DoD partner contributions to protect over 757,000 acres of land across 115 installations in 35 states and territories.

The increased request for FY 2022 will allow the REPI program to build capacity and significantly expand projects that promote resilience to climate change. This includes opportunities that maintain and improve "natural infrastructure," implementing solutions outside installation boundaries to enhance the benefits provided by natural systems. Natural infrastructure solutions encompass a wide range of possible actions that can help promote installation resilience, preserve access to critical installation and range assets and capabilities, and enhance DoD's core training, testing and operational missions.

The FY 2022 funding will also enable increased investment in the Pacific region, preserving and enhancing key mission capabilities critical to deterring adversaries in the Pacific, including missile defense; intelligence, surveillance, and reconnaissance; and joint force capabilities. In the Pacific region alone, DoD and its partners have invested over \$136 million at seven REPI projects across Hawaii, Alaska, and Guam.

Finally, the increased funding will enable DoD to expand the interagency Sentinel Landscapes Partnership between DoD, the U.S. Department of Agriculture, and the U.S. Department of the Interior. The Partnership promotes shared land use priorities, and works to identify landscapes across the country where the missions of the federal agencies—strengthening national defense, promoting sustainable agriculture and forestry, and building community resilience to climate change—intersect. From FY 2012 to FY 2019, DoD has contributed \$141 million and leveraged \$542 million in funds from federal, state, local, and private partners to advance the goals and shared land use priorities of the seven sentinel landscapes. In cooperation with our federal partners, DoD intends to designate additional Sentinel landscapes in FY 2022.

#### *Military Aviation and Installation Assurance Siting Clearinghouse*

The Military Aviation and Installation Assurance Siting Clearinghouse continues to protect the Department's ability to train, test, and operate as the nation expands its renewable and other commercial energy and power transmission capacity. Commercial wind development typically poses the greatest compatibility challenge to DoD due to physical obstruction of low-level flight routes and electromagnetic interference with DoD radar systems. DoD resolved project concerns through collaboration among the Clearinghouse, the Military Departments, local communities, states, and energy developers, thereby maintaining the Department's ability to train, test, and operate while enabling development of alternative energy resources. DoD negotiated and signed 29 Mitigation Agreements with wind energy developers to minimize the impacts from proposed projects on DoD missions. Through our collaborative efforts, none of the proposed projects warranted a DoD objection to the Secretary of Transportation or Administrator of the FAA.

The Department is actively implementing new approaches to protect DoD missions. The Clearinghouse intensified efforts to advocate for state-level legislation to protect military installations and operations from incompatible wind energy development. Indiana, Wyoming, and Alabama have passed protections for military missions in wind turbine permitting. Although DoD and developers have had success resolving issues related to incompatible energy development, state support is invaluable in the rare cases where developers choose not to voluntarily coordinate with DoD.

The Department has developed active interactions with the Bureau of Ocean Energy Management (BOEM) to manage increasing plans for offshore energy development. The Clearinghouse, Department of Interior, and BOEM have updated and implemented offshore review practices to allow for DoD input at every stage of planning, permitting and development.

#### DEPARTMENT OF DEFENSE ENERGY PROGRAMS

The FY 2022 President's Budget aligns with direction from the President and the Secretary of Defense to ensure installations and forces are resilient in the face of a wide range of challenges to include climate change, disruptions to energy or water supplies, and direct physical or cyber- attacks. The FY 2022 President's Budget includes approximately \$4.4 billion in energy investments, including both installation energy (the energy used to power permanent installations and non-tactical fleet ve-

hicles) and operational energy (the energy required for training, moving, and sustaining military forces and weapons platforms for military operations). Achieving Joint lethality, forward force maneuver and posture resilience, and resilient and agile logistics in support of military combat operations, each require the Department to reconsider the assured availability of fuel and power around the globe.

In support of operational energy resilience, the Department is requesting \$3.2 billion to upgrade and procure new vehicles and aircraft, increase the range and endurance of platforms, enhance energy resiliency at contingency bases, and plan and execute wargames to account for increasing risks to logistics and sustainment. As the Department prepares to operate in contested environments around the globe, these investments increase range, endurance, and lethality while decreasing risks to warfighters.

In support of installation resilience, we are requesting \$1.2 billion for energy resilience and energy conservation initiatives, most of which are directed to existing buildings. This includes \$595 million in the Services' operation & maintenance accounts for sustainment and recapitalization projects, which generally involve retrofits to install improved lighting, high-efficiency HVAC systems, double-pane windows, facility related control systems (FRCS), and new roofs. In addition, the Energy Resilience and Conservation Investment Program (ERCIP) provides \$287 million in military construction funding, including planning and design, to enhance energy resilience through installing microgrids with renewable and clean energy generation and energy storage alternatives and projects that will improve energy efficiency at our installations. In particular, the FY 2022 request includes \$10 million in ERCIP design funds specifically to plan and design projects to enable the installation of electrical vehicle charging stations in support of the President's Executive Order 14008, Tackling the Climate Crisis at Home and Abroad, which requires the Department to electrify its non-tactical vehicle fleet.

#### THREATS TO ENERGY

Energy is an essential enabler of military capability, and the Department depends on energy-resilient forces, weapon systems, and facilities to achieve its mission. At home and abroad, installations are reliant on commercial, municipal, and host nation power grids for day-to-day operations, including command and control systems, communications, lighting, heating, and cooling. Similarly, the Department relies on organic capabilities and commercial partners to provide refined petroleum products to globally deployed forces, and maximizes the use of local sources to minimize the time, resources, and effort associated with acquiring, moving, and delivering fuel to deployed forces.

Adversaries recognize the strengths of U.S. power projection and sustainment, and possess long-range weapons, significant anti-access/area-denial (A2/AD) systems, and substantial cyber capabilities able to degrade the ability of the Department to provide energy to forces and facilities. In response to these threats and in alignment with statute, the Department shall "ensure readiness of the armed forces for their military missions by pursuing energy security and energy resilience" (10 U.S.C. § 2911) and "ensure the types, availability, and use of operational energy promote the readiness of the armed forces" (10 USC § 2926).

In addition, the Department's ability to provide energy to critical missions is affected by the climate. A climate-resilient supply chain is one in which the Department has ensured that key suppliers and industries can still operate though impacted by climate change, with special attention given to "last-mile" resilience.

#### ENTERPRISE-WIDE ENERGY INITIATIVES

Facing the imperative to sustain critical operations in contested environments while also reducing our carbon footprint, the Department is implementing a series of initiatives to enhance the use of power or fuel and support informed decision-making with regard to investments and future force capabilities. In partnership with the Joint Staff, Defense Agencies, and the Services, the Department is pursuing the following initiatives to transform how the Department considers energy in planning and operations.

##### *10 U.S.C. § 2912 Energy Cost Savings*

With the passage of the FY 2020 and FY 2021 National Defense Authorization Acts, 10 U.S.C. § 2912 now allows the Military Departments to retain amounts equal to installation and operational energy cost savings in order to fund additional energy resilience, energy efficiency, and installation quality of life projects. In FY2019 and FY2020, the Military Departments piloted efforts to retain \$115 million in installation energy cost savings and \$20 million in operational energy cost savings

using the authority. Presently, OASD (Sustainment) is supporting pilot initiatives by Military Departments to implement this authority across both installation and operational energy activities, pursuant to the statute and DoD financial regulations.

*Integrating Climate Mitigation Considerations into DoD Procurement*

While the Department has procured sustainable goods and services for many years, the Department now is preparing to consider greenhouse gas emissions in a broader set of energy procurement decisions. For instance, based on Executive Order 14008, the Department is evaluating how to procure carbon-free electricity for our installations. The Deputy Secretary of Defense also tasked OASD(Sustainment) to develop policy recommendations for the application of the social cost of carbon into DoD procurement. Finally, the FY 2022 President's Budget provided an additional \$2.0 million to support additional testing and qualification of drop-in compatible alternative fuels already in commercial use to ensure the Department's ability to use any drop-in compatible fuels available in the global marketplace.

OPERATIONAL ENERGY RESILIENCE

In FY 2020, the Department consumed nearly 78 million barrels of fuel to power ships, aircraft, combat vehicles, and contingency bases at a total cost of \$9.2 billion. To respond to the needs of a global force, the Department purchased 48% of this fuel outside of the U.S. Beyond liquid fuels, the Department also is relying on advanced energy storage to enable long-range, autonomous, directed energy, high-power sensors, and other warfighting capabilities across air, sea, and land domains.

The Department depends on the resilient delivery of energy to forces, weapon systems, and facilities around the globe. To prepare for peer competition where even the homeland is contested, the Department is addressing a range of technological, operational, and policy initiatives to enhance the use of energy in warfighting.

*Investments in Operational Energy*

FY 2022 President's Budget significantly enhances resources dedicated to reducing operational energy risks and applying energy technologies to improve warfighter capabilities. Relative to the FY 2021 President's Budget, these operational energy enhancements include:

- Operational Capability Improvement Fund (OECIF): +\$74.3 million
- Operational Energy Prototyping Fund (OEPF): +\$23.2 million
- Alternative Fuels Certification: +\$2 million
- Air Force/Navy Operations and Planning Tools: +\$38.6 million
- Air Force Large Aircraft Drag Reduction: +\$14.1 million
- Navy Platform and Propulsion Upgrades: +\$19.5 million
- Army Tactical Vehicle Electrification: +\$5.2 million

The Department also uses the budget certification authority in 10 U.S.C. § 2926 to quantify operational energy investments across the Military Departments and Defense Agencies and evaluate the alignment of the President's Budget with the operational energy strategy. ASD (Sustainment) judged the FY 2022 President's Budget as sufficient to meet the previous operational energy strategy and will provide this assessment to the Congress by the end of July 2021. As the Department develops a revised energy strategy that reflects the new guidance related to resilience and climate, the ASD(Sustainment) will use the budget certification authority to rigorously review the sufficiency and direction of investments in operational energy resilience.

*Contested Logistics and Risks to Energy*

To ensure that energy considerations are included in Joint and Service capability development and planning, we are participating in the Joint Concept for Contested Logistics (JCCL) as part of the broader Joint Warfighting Concept (JWC). We also promote capabilities that identify solutions to overcome fuels distribution challenges in contested environments, and support the development of interoperable, mobile, and survivable operating concepts. These capabilities include, but are not limited to, the Joint Petroleum Over the Shore (JPOTS) system of systems and the Navy's Light Amphibious Warship (LAW). The JPOTS system of systems refreshes and advances the capability required to transfer bulk fuel from offshore to a land-based termination point during future contingency and crisis response operations.

*Advanced Energy Storage*

Faced with increasing kinetic and non-kinetic threats, the Department is shifting toward more distributed, austere, and autonomous operational concepts carried out

by platforms and installations with escalating power requirements. Advanced energy storage is emerging as a critical enabler of these new capabilities. Similar to the Nation as a whole, however, the Department lacks a strong domestic supply chain and depends on foreign sources.

As part of this response, the ASD(Sustainment) joined four other inter-agency partners in September 2020 to establish the Federal Consortium for Advanced Batteries (FCAB) to accelerate the development of a robust secure domestic industrial base for advanced batteries. DoD was part of the inter-agency team that developed an inter-agency national strategy for lithium batteries designed to guide future investments in the domestic lithium battery manufacturing value chain; Department of Energy will release the strategy later this year. The Department also is supporting the implementation of Executive Order 14017, America's Supply Chains, and ASD (Sustainment) will continue to provide a single voice regarding advanced energy storage requirements for national security applications.

#### INSTALLATION ENERGY RESILIENCE

At over 500 worldwide military installations, the Department spent \$3.5 billion in FY 2020 on energy to power over 500 installations and 170,000 non-tactical vehicles.

##### *Investments in Installation Energy*

The FY 2022 President's Budget includes \$1.2 billion in investments in installation energy. Reflecting a strong track of record and alignment with Administration priorities, the FY2022 President's Budget included enhancements totaling over \$181 million relative to the previous budget request. These enhancements include:

- ERCIP for resilience and conservation: +\$104.1 million
- ERCIP Planning & Design for resilience and conservation: +\$15.9 million
- ERCIP Planning & Design for electric vehicle charging infrastructure: +\$10 million
- Smart Grid pilot initiatives: +\$48 million
- Net Zero Installations: +\$3 million

##### *Installation Energy Resilience Policy and Governance*

The Department continues to be proactive in developing policy, guidance, and tools to advance installation energy and climate resilience.

The Department is coordinating an updated policy with the Military Departments to implement energy resilience requirements (10 U.S.C. 2920) that resulted from the Fiscal Year 2021 National Defense Authorization Act, and anticipates issuing the guidance this fiscal year. The policy memorandum sets forth energy availability standards for critical missions. In addition, it directs the military departments to promote the use of multiple and diverse sources of energy in their planning, prioritization of energy resources originating on the installation, encourages the use of micro grids, and favors the use of full-time, installed energy sources rather than emergency generation in their energy resilience solutions.

##### *Black Start Exercises*

Black start exercises are a growing component of the Department's approach to risk assessment. In alignment with statute, the Department is conducting full-scale black start exercises to evaluate risks to the readiness of our military installations. These exercises have proven invaluable in identifying gaps in our installations' electrical infrastructure, such as previously- unknown interdependencies between various systems, so that we can best prioritize our resilience resources and planning.

Last year, the Department issued the "Framework for Planning and Executing Black Start Exercises" that facilitates the planning and execution of future exercises. An "Energy Resilience Tabletop Exercise Framework" was also issued to promote continued modeling of black start exercises in times of restricted travel and social distancing. In FY 2021, the Department has executed an additional two exercises at Marine Corps Air Station Miramar and Joint Base McGuire-Dix-Lakehurst. In the remainder of FY 2021 and beyond, the Department will execute exercises at Eielson AFB, Wright-Patterson AFB and Springfield-Beckley Air National Guard Base, Robins AFB, JB Langley-Eustis, Fort Hood, Fort Leavenworth, Rock Island Arsenal, Naval Construction Battalion Center Gulfport and more.

##### *Energy Resilience and Conservation Investment Program (ERCIP)*

Supported by black start exercises, installation energy plans provide the basis for prioritizing resources toward critical gaps. ERCIP is a critical element of DoD's

strategy to improve the energy resilience, energy security, and energy conservation of its fixed installations.

The Department increased the budget request for ERCIP to reflect the significance of risks to energy systems as well as the need to mitigate the causes of climate change. In FY 2022, DoD's combined ERCIP request is \$286.75 million for ERCIP, including \$243.64 million for energy/water resilience projects, \$2.96 million for energy/water conservation projects, \$30.15 million for associated planning and design efforts, and \$10 million to plan and design EV utility infrastructure upgrades.

The FY 2022 ERCIP request include two energy resilience projects, including a 10 megawatt (MW) Microgrid Project at Fort Bragg and a Landfill Gas (LFG) Power Meter Station at Marine Corps Air Station Miramar. Fort Bragg's ERCIP project consists of a 10 megawatt microgrid to increase energy resilience by providing continuous power for critical missions. Even during a commercial power outage, this microgrid technology will route continuous power to Joint Special Operations Command during contingency operations, increasing reliability of operations and mission assurance. Marine Corps Air Station Miramar is developing one of the nation's largest renewable energy microgrids to create a resilient and self-sustaining air station. The Landfill Gas Power Meter Station will enhance the microgrid controls as well as it will also incorporate and store renewable energy for use. The enhanced MCAS Miramar microgrid will result in improved energy resilience during grid outages in support of mission assurance.

For FY 2022, the Department is taking a more proactive approach with an ERCIP program comprised of a variety of technologies such as renewable and clean energy power generation, energy storage systems, industrial control systems, microgrids, and improvements to distribution systems to enhance installation energy resilience, security, and control. Just as the Department ERCIP Construction request increased, our Planning and Design request increased from \$14.25 million to \$40.15 million to support increasingly complex microgrids, renewable and clean energy generation, and advanced energy storage. Included in this amount is \$10 million specifically for planning and design of the charging infrastructure needed to accommodate the electrification of DoD's non-tactical vehicle fleet.

#### *The Energy Resilience Assessment Tool*

The Department is enabling the identification of solutions beyond backup generators to meet critical energy requirements. To accomplish this, the Department continues to upgrade the Energy Resilience Assessment (ERA) Tool for use by the DoD Components. The ERA Tool allows users to evaluate and select energy resilience investments that best meet the cost and performance requirements of their critical missions. In addition to conducting continuous virtual training for installation energy personnel, recent upgrades include improved visualization of results and site-specific courses of action. Use of the ERA Tool to validate energy resilience enhancements is a requirement for all ERCIP project submissions throughout the Department.

#### *Performance Contracting Authorities*

The Department continues to utilize performance contracting (i.e., ESPCs/UESCs) as a significant part of its efforts to enhance energy resilience through energy efficiency. Guided by the installation energy planning process, DoD will continue to use these contracts where they enhance DoD mission readiness, mission assurance, and ultimately DoD's warfighting capability.

For example, through an ESPC at Marine Corps Recruitment Depot (MCRD) Parris Island the Marine Corps has enhanced readiness through the installation of a 3.5 megawatt combined heat and power plant (CHPP), 6.7 megawatts of solar photovoltaic panels with integrated energy storage, and a microgrid control system. Built above the flood zone, the CHPP is less susceptible to hurricanes, storms and sea level rise. Based in part to savings from the ESPC, MCRD Parris Island decreased its electricity purchased from the commercial grid by more than 50% in FY 2020 compared to FY 2019, which is contributing to greenhouse gas reductions.

Additionally, Misawa Air Force Base awarded a \$206 million-dollar ESPC that includes energy conservation and resilience measures such as a smart grid, solar arrays, and a cogeneration power plant capable of generating 6.2 MW of power and 83,000 lbs/hour of steam. The new generation plant will cut energy waste by an estimated 20% across 679 buildings, generate 70% of the peak electrical demand, and reduce 60% of the annual electrical load.

#### *Cyber Resilience*

To enable the projection, sustainment, and direct support to forces around the globe, DoD installations rely on a range of Facility-Related Control Systems (FRCS)

to operate critical missions and facilities. FRCS in DoD are subject to a growing range of cyber threats as these systems have increasingly become more automated and connected. The attack surface for potential adversaries has increased exponentially as result of the integration of network-based building management systems, Internet of Things (IoT) devices, as well as the connection of legacy control systems into these networks.

As cyber threats continue to expand, the Department has responded by integrating cybersecurity into the overall policy and governance for energy resilience. For example, DoD installations now include cybersecurity considerations in the development of installation energy plans, and cyber secure FRCS are now integral to utility privatization agreements, energy savings performance contracts (ESPCs), and utility energy service contracts (UESCs). The Department now requires the DoD Components to submit annual FRCS Cybersecurity Plans to capture their efforts to collect inventory, complete assessments, implement mitigations, and maintain sustainment for FRCS cybersecurity. These complement installation energy plans and are due by the end of June 2021. The Department has also codified an FRCS Master List and associated security rankings to standardize the resourcing, training, education, and budgetary spend around a common definition of FRCS.

#### ENERGY INNOVATION

OASD (Sustainment) oversees three Department-wide research, development, test, and evaluation programs that support resilient, efficient, and clean energy for use by installations and forces.

The overall FY 2022 budget request for Operational Energy Technology is \$97.5 million, centered on two key programs: the Operational Energy Capability Improvement (OECI) program and the Operational Energy Prototyping (OEP) program. These Defense-wide energy technology programs coordinate closely with the Military Services to ensure research, demonstration, test and evaluation are focused on the Departments most pressing operational energy needs. For OECI, which is focused on advanced technology demonstrations, we request \$59.3 million for baseline efforts and \$15.0 million for nuclear fuel efforts. Our request for OEP, which is focused on demonstration of operational energy technology and validation prototyping, is \$23.2 million.

To prepare for tomorrow's energy challenges and combat climate change, OECI/OEP invest in three lines of effort. Projects focused on Powering the Force support the deployment of more mobile and distributed operations with decreased and more agile logistics, especially through contested environments. Efforts in Electrifying the Battlespace enable the electrification of weapons, platforms, unmanned systems, and soldiers which drastically reduces fossil fuel resupply and enables new capabilities such as silent watch and exportable power. Finally, Commanding Energy efforts focus on capturing and understanding platform and weapon system energy profiles, including adversarial profiles, to transform the Joint Force from reactive to predictive with energy management and control.

The FY 2022 budget request for Installation Energy Technology is \$39.9 million, implemented through the Environmental Security Technology Certification Program's (ESTCP) Installation Energy and Water Program Area (EW). The ESTCP EW Program Area focuses on improving the resilience of DoD's energy and water systems and reducing carbon emissions from buildings and non-tactical vehicles. To achieve these outcomes, the Program identifies, demonstrates, and transitions innovative technologies that increase the energy and water efficiency of DoD buildings, improve the security and reliability of energy and water supply, reduce the life-cycle cost of DoD facilities, and reduce carbon emissions from on-site fuel consumption.

#### CONCLUSION

Thank you for the opportunity to present the President's FY 2022 budget request for DoD programs supporting energy, installations, and environment. We appreciate Congress' continued support for our enterprise and look forward to working with you as you consider the budget request.

Senator HEINRICH. General Evans

#### STATEMENT OF LIEUTENANT GENERAL JASON EVANS, DEPUTY CHIEF OF STAFF

General EVANS. Thank you, Chairman.

Senator HEINRICH. General. I apologize. Can you pull your mic a little bit closer? I think it is not quite picking up.

General EVANS. Thank you.  
 [Technical issues.]  
 [The statement follows:]

PREPARED STATEMENT OF LTG JASON T. EVANS

Chairman Heinrich, Ranking Member Boozman and members of the Subcommittee: on behalf of the Soldiers, Families, and Civilians of the United States Army, thank you for the opportunity to present the Army's Fiscal Year (FY) 2022 budget request for installation infrastructure.

We would like to express our gratitude to members of this committee for your strong support of Army installations, Soldiers, and Families. Thank you for supporting our budget request and providing additional funding for key programs such as barracks, family housing, and childcare facilities. This year, we are requesting \$7.1 billion for Army's installation infrastructure-\$1.7 billion for Military Construction, and \$5.4 billion in Facilities Sustainment, Restoration, and Modernization (FSRM).

The Army strategy provides a clear path to transform and achieve overmatch against its adversaries in great power competition. The Army priorities are People, readiness, and modernization. This reprioritization and recognition of the importance of alliances and partnerships, reflect the Army's success in rebuilding and sustaining tactical readiness over the past six years, establishing strategic readiness, investing in critical capabilities, and recognizing the fundamental role of our People and facilities in driving readiness and modernization. In support of the Army Strategy and priorities, the Army published additional supporting strategies, amongst them, the Army People Strategy, The Army Modernization Strategy and the Army Installations Strategy, all of which help to guide resource and programmatic allocations.

The Chief of Staff of the Army has said, and the Secretary agrees, People are our number one priority, our greatest strength, our most valuable asset, and our most important weapon system. The Army People Strategy describes how we will more deliberately manage the talents of our Soldiers and Civilians. The Secretary has said she will prioritize the full range of People issues to ensure our Soldiers and civilians have the best quality of life possible and strive to continue improving Army housing, healthcare, childcare, and spouse employment. People drive our success in readiness, modernization, and reform.

Our FY 2022 Budget and our Quality of Life initiatives are guided by the Army Installations Strategy in developing modern, resilient, sustainable installations; enhanced strategic readiness that can operate in a contested environment; and provide quality facilities, services, and support to our Soldiers, Families, and Civilians.

THE ARMY INSTALLATIONS STRATEGY

Installations are platforms from which we sustain Army culture, care for our People, and project and sustain forces essential to strategic readiness and the Army's ability to deploy, fight, and win our nation's wars. With timely, adequate, predictable, and sustained funding, we will ensure that our People remain a priority and this will help us continue to recruit, train, and retain an Army of high quality Soldiers, supported by their Families and civilians, and prepared to win our Nation's wars.

The Army's Installations Strategy published in December 2020, represents a pivot from Industrial-Age facility design concepts of single-function, single-tenant buildings and purpose-built specialization, to Information-Age infrastructure that is multi-functional, multi-tenant, and easier and less expensive to customize or reconfigure. A forthcoming Army Infrastructure Investment Strategy will tie planned Army investments to measurable effects.

TAKING CARE OF PEOPLE

The Army wins through its People. Adaptable and tailorable quality of life programs for Soldiers, Civilians, and Families improve Army readiness and reduce uncertainty. Our People promote the Army as a great team to join, and installations as the best places to work and live. Facility conditions; modern services; Family programs; and Morale, Welfare, and Recreation functions are essential components for taking care of our People. Winning matters-the Army must be able to compete for and win the fight for talent-both for those who serve in uniform and those who seek to be part of our civilian workforce. What matters most to our People is not whether the Army owns or operates a facility but whether the services are delivered in a quality, safe facility, which are responsive, user friendly, and convenient.

## QUALITY OF LIFE PRIORITIES

Recognizing the important role quality of life plays in recruitment, retention, and readiness, we are focused on improving military housing and barracks, ensuring the best health care, expanding access to child care, improving opportunities for spouses to gain meaningful employment and build their own careers, and reducing the turbulence of moving. Another priority is support and resilience where our focus is on increasing support and resources to some of our remote, isolated, and challenged installations. These focused efforts help strengthen the Army team.

## FAMILY HOUSING AND BARRACKS

Our Soldiers and Families deserve high quality, safe housing. Our focus is on fixing the privatized housing issues were first brought to light in fall of 2018, while simultaneously working with the Military Housing Privatizing Initiative (MHPI) companies to strengthen the long-term financial health of the Army's Residential Communities Initiatives (RCI) privatized housing portfolio. We are conducting 100 percent quality assurance inspections on change of occupancy and life, health, and safety maintenance work orders.

The Army continues to prioritize privatized housing reform actions that will improve the tenant experience, rebuild tenant trust, and maintain RCI housing project financial viability. This includes implementing requirements for a Tenant Bill of Rights, a universal lease, a dispute resolution process, and other elements set out in the FY 2020 and FY 2021 NDAs. Six of seven of the Army's RCI partners have agreed to implement the 18 tenant rights set out in the FY20 NDAA at their existing projects, and at least 17 of those rights are now available at nearly every Army installation with privatized housing. The final right—standard documentation (focused on a universal lease framework)—is available at 37 or 84% of Army's installations with RCI housing, and with few exceptions, we expect all 18 tenant rights to be fully available by the end of FY 2021.

Our priority going forward is to continue implementing MHPI reforms that improve safety, quality, and maintenance of the privatized housing, continue engagement with residents, and ensure accountability at all levels within the Army and the MHPI companies to perform our oversight as originally intended at the outset of housing privatization. We continue to host weekly housing meetings with key stakeholders and RCI companies on a rotating basis to review physical and financial condition of privatized housing. We conduct quarterly Town Hall meetings with Commanders and residents; we have hired independent third-party experts to perform comprehensive financial and development reviews; we have established an enforceable incentive fee metric to reward improved work order response times, achieve better quality work, and increase resident satisfaction. We also have worked with our MHPI companies to accelerate investment in RCI home renovations and replacement. Our MHPI companies have obtained \$1.5 billion of additional private sector financing and are reinvesting another \$1.3 billion from privatized project reinvestment accounts to perform significant improvements to the housing they own and operate on Army installations.

Over the past three years, the Army has invested \$1.73 billion in Army Family Housing, to include government-owned housing improvements and construction. In addition, the Army has also invested \$2.1 billion in barracks for construction, operations & maintenance, and restoration & modernization over the last three years. The Army is focused on modernizing barracks standards that incorporate user feedback and the latest technology. We must continue to work to increase the overall quality of housing- Army-owned and privatized housing, and Army-owned barracks.

Over the next 10 years, the Army has programmed over \$11.5 billion to improve barracks. Our investment in military construction and repair and maintenance projects will help ensure that Army meets DoD's goal to maintain 90 percent of our unaccompanied housing in good or better condition. We also are requiring greater leadership presence in the barracks, as part of the Army Barracks Management Program. This program empowers leaders to exercise oversight and upkeep of barracks.

The Army Maintenance Application (App) allows Soldiers to submit a maintenance claim quickly from their cell phone without having to wait for their chain of command or make an appointment. The app will eventually become the primary tool for maintenance inquiries for residents of Army-owned Family housing and barracks across the Army.

## HISTORIC HOUSING PROGRAM

The Army is faced with the extraordinary challenge of managing the largest inventory of historic housing in the federal government. The Army must provide quality of life for Soldiers and their Families; manage high renovation costs for historic housing; address hazards found in historic building materials such as lead-based paint and asbestos; and address the need for expanded living space and modernization of mechanical systems, all while preserving the historic and architectural character of its huge inventory of over 30,000 historic homes. Issued in September 2020, the Program Comment for Department of the Army Inter-War Era Historic Housing, Associated Buildings and Structures, and Landscape Features (1919–1940) establishes a new paradigm for integration of National Historic Preservation Act requirements as part of the solution to the Army's most critical military Family housing concerns for over 3,200 Inter-War Era homes. The management actions addressed by the Program Comment directly improve the material living conditions and the quality of life, health, and safety for the thousands of Army Family members who live in Inter-War Era housing, while mitigation measures ensure the historic and architectural character of this housing is preserved.

## HEALTH CARE

Access to high-quality healthcare is an essential part of taking care of Soldiers and their Families. Attending to our beneficiaries' medical needs improves their quality of life, enabling Army readiness. Partnering with Defense Health Agency, Army Medicine will continue to deliver world-class care for our beneficiaries across our installations to maintain our Army Family's health. As the Military Health System reforms, our focus is readiness. This means that we will emphasize operationally oriented training, modernized capabilities, and innovative operational concepts. We are grateful to Congress for increases in Health Professional Officer special pay caps. This needed investment ensures we can sustain the recruiting and retention of the best quality healthcare professionals for the sustainability of the force.

## CHILD CARE

Army Families do not always have the stability of an established neighborhood or the proximity of relatives to allow for a constant and reliable child care plan; thus Soldiers look to the Army to provide services that assist them in safely caring for their children so that they can focus on their mission and spouses on their careers.

The Army is challenged by child care capacity, mainly for infants and toddlers. Additionally, availability of quality off-post care is limited in many communities, reducing options for Soldiers who cannot access on-post care. This drives longer wait times at some locations like Hawaii, the National Capital Region, and Joint Base Lewis-McChord. The Army is implementing mitigation strategies to maintain and, in some cases, increase access to care. This includes planning an additional 21 Child Development Centers over the next ten years, which will add up to 4,000 new spaces. Expanding Family Child Care, with aggressive marketing, recruitment and retention incentives, will increase the number of providers from 149 to 275 by the end of FY 2022. Finally, improving retention of staff through a comprehensive recruitment and retention strategy, including staff compensation adjustments in accordance with updated DoD guidance to remain competitive in local job markets.

## SPOUSE EMPLOYMENT

Spouses are the "force behind the force," balancing professional careers, Family, health, and well-being, all in the context of the unique Army lifestyle that includes deployments, frequent moves, and mission requirements. They often sacrifice their personal career goals for the benefit of the Army. Supporting spouse employment and careers without excessive delay or extra expense reduces Permanent Change of Station (PCS) move stress, improves quality of life, and contributes to readiness and retention. The Army is grateful for the attention and support that Congress has provided in this area.

The Army continues to make improvements in the spouse employment arena. We are improving policies for military spouse preference and non-competitive civil service appointments and conducting a pilot program for advanced application of Military Spouse Preference in certain foreign overseas locations. We are also assessing an initiative that better connects spouses to hiring officials prior to an overseas move. We reimburse up to \$1,000 for qualified relicensing costs for fees or costs associated with getting the same or similar license in a new state after a move. We improved the portability of home-based businesses, streamlining the application and approval process to operate home-based businesses on our installations. We have

582 home-based businesses on installations and 478 are operated by spouses. The Army Civilian Employment Assignment Tool allows certain non- appropriated fund employees to transfer between installations quickly. Since inception in August 2018, there have been 449 successful transfers; 259 were military spouses. We are adding an additional 31 Employment Readiness Program Staff in the next 90 days. The Army continues to work with Office of the Secretary of Defense to promote workforce development scholarships, improve state license reciprocity and professional license compacts, and reduce barriers to overseas employment.

#### PERMANENT CHANGE OF STATION (PCS) MOVES

PCS moves are significant, and at times frustrating, events for Army Families. To ease the stress and reduce financial burdens, the Army is making great strides to improve the household goods and relocation experience. We continue to follow health protection protocols to ensure safety of everyone involved in the moving process. We are issuing orders earlier (120 days prior to report date) to help Soldiers and Families better plan moves. We are hiring additional quality assurance inspectors with approximately 365 inspectors on board to include 41 spouses or Family members to ensure moving companies comply with DoD standards. Finally, we have increased the Personally Procured Move monetary allowance from 95% to 100% of the estimated cost the government would have paid a moving company.

Last year, we also launched a new interactive app, “Army PCS Moves,” which includes information on entitlements, move types, planning/scheduling moves, and claims procedures; with more than 13,000 downloads.

#### STRENGTHEN READINESS AND RESILIENCE

##### *Climate Change*

The Army recognizes climate change as a growing global security threat. In line with the President and the Secretary of Defense’s direction, we are prioritizing climate change considerations in our threat picture, strategic plans, operations, and infrastructure design. We will include climate risk analyses in our war-gaming, modeling and simulation activities, and our daily operational missions. The Army is poised to build on past efforts with a focus on integrating climate security factors within assessments and planning, installation resilience, science and technology, operational energy, sustainable land management, and procurement. We are taking significant steps to address climate change and extreme weather impacts, which include the Army Directive 2020–08, U.S. Army Installation Policy to Address Threats Caused by Changing Climate and Extreme Weather, the Army Climate Assessment Tool, and the Army Climate Resilience Handbook. In March 2021, the Army established the Army Climate Change Working Group to synchronize and direct Army activities to address climate implications and policy, planning, and implementation across the force, and execute climate change objectives.

##### *Energy and Water Resilience*

The Army is the largest consumer of installation energy in the Department of Defense, spending more than \$1 billion per year on facility energy and water. Our installations rely, with few exceptions, on commercial energy and water sources to accomplish critical missions. The vulnerabilities in the interdependent electric grids, natural gas pipelines, and water resources supporting our installations jeopardize mission infrastructure, installation security, and the Army’s ability to project power and sustain global operations.

The Army Installation Energy and Water Strategic Plan sets a vision and establishes goals, strategic objectives, and measurable targets to shape efforts to achieve long-term infrastructure resilience, efficiency, and affordability. Building and measuring resilience enables Army readiness by improving the ability to prevent and recover from disruptions to vital energy and water utility services.

We gain valuable insights into our existing infrastructure condition and capability gaps, resource access, and system operations and plans through planning and condition assessments. Installation Energy and Water Plans (IEWPs) outline critical mission needs, characterize energy and water baseline conditions, and propose prioritized approaches for projects and operational activities to increase energy and water resilience. The Army has 30 IEWPs at or near-completion; all remaining installations are scheduled to be completed by the end of FY 2022. IEWP results will be incorporated into installation master plans. Black Start Exercises assess capabilities and reveal gaps, which are not always discoverable during table top exercises. They have also resulted in improved communications between the Army, local community, and utility companies that service an installation.

## MODERNIZE AND INNOVATE

The Army Modernization Strategy states installations must modernize “at pace” with the rest of the Army to support a modernized Army by 2035. To do this, installations must provide facilities, ranges, airfields, and support infrastructure that possess the appropriate physical characteristics required by new Army weapons systems.

Army modernization requires that installations provide the facilities, systems, and connectivity to support the Army on its path toward full multi-domain operations readiness by 2035. Installation management practices must transform to accommodate new information-era technologies. Innovation efforts support the Army priority of Reform. We will prioritize those that create efficiencies, expand workforce productivity, and generate resilience.

The Army will plan for upgrades to maintenance facilities, motor pools, ranges, network infrastructure, administrative facilities, housing, barracks, secure facilities, and utilities upgrades to keep pace with other modernization efforts. Force projection also requires assessment of roads and highways, bridges, ramps, marshaling yards, ammunition supply points, railways, and airfields. Real property master plan processes will expand in technical sophistication, using data-informed analysis and modeling to accommodate new specifications for modern equipment and achieve better environmental analysis necessary to fulfill requirements of the National Environmental Policy Act.

The Army is updating its facilities standards and standard designs to meet and support fielding of new weapon systems. The objective Army of 2035 will have systems that exceed the current facilities criteria. Examples of change include the tactical equipment maintenance facility at Fort Hood where the revised Army Standard will include minimum dimensions for bay space clearance and an additional 35-ton crane for overhead lift capability. The Supply Support Activity is a specialized facility from a general purpose warehouse with changes to include adding a second floor/mezzanine for automation and robotics capabilities and climate control for corrosion prevention.

The Army Standard and Standard Design for permanent party barracks will also change to take care of our number one asset, the Soldier. We’ll be improving resilience, readiness, and Quality of Life of our Soldiers by equalizing the have and have-nots and take care of HVAC as part of health/life/and safety issues and promote promising changes from research on behavioral and social health of barracks residents. Additional changes, like replacing communal laundries with built-in washer dryers and adding self-service food kiosks to common areas, will improve Quality of Life.

## FY 2022 BUDGET REQUEST FOR INSTALLATION INFRASTRUCTURE

The Army’s FY 2022 budget requests funding to take necessary near-term actions to help make installations multi-domain ready and resilient.

## MILITARY CONSTRUCTION

Army Military Construction. The Army’s FY 2022 Military Construction request for \$1.7 billion (appropriation and authorization of appropriations) will improve Installation readiness, Industrial Base readiness and Soldier Quality of Life. The Quality of Life investments consist of five new barracks projects for \$262 million and one Family Housing project for \$92 million. The total request includes \$835 million for the active component, \$257 million for the National Guard, \$65 million for the Army Reserve, \$491 million for Army Family Housing (Construction and Operations), and \$65 million in the Base Closure Account for environmental remediation, caretaker services, and program management costs at BRAC sites.

Military Construction, Army (MCA). Inside the Active Army’s request there is \$399 million supporting installation readiness (\$141 million Training, \$95 million Command & Control and \$51 million Maintenance, \$96 million Industrial Base and \$16 million in support of European Combatant Command) and \$249 million for barracks. The Active Component also has \$27 million for Host Nation Support.

Pilot Program for Additional Child Development Center Construction. In the FY 2021 National Defense Authorization Act, section 2865, the Services were directed to conduct a pilot program under which the services may carry out military construction projects not otherwise specified in law. The Army plans to utilize the existing \$27 million authorization provided in FY 2020 to accelerate a Child Development Center project at Fort Gordon.

Military Construction, Army Reserve (MCAR). The FY 2022 MCAR budget request supports three major construction projects: Area Maintenance Support Activ-

ity facility in Southfield, Michigan, valued at \$12 million; Wright Patterson AFB Army Reserve Training Center, valued at \$19 million; and Fort McCoy, Wisconsin transient training building, valued at \$12.2 million.

Military Construction, Army National Guard (MCNG). The National Guard's request supports readiness by funding \$139 million for Readiness Centers and \$43 million for Maintenance Facilities. It also provides \$13 million for barracks.

Minor Construction/Planning & Design. All three components have funds planned for Unspecified Minor Construction and Planning and Design.

Army Family Housing (AFH). The Army's request for \$92.3 million in construction funding supports one new/replacement project providing 130 new homes (Vicenza, Italy) and necessary planning and design funds. The Army's request for \$391.2 million in Family Housing Operations funding provides for Army Family Housing operations, maintenance and repair, utilities, leasing, and management of Residential Communities Initiative.

Base Realignment and Closure (BRAC). The Army's request for \$65.3 million includes \$7.1 million for continuing caretaker and program management requirements at remaining BRAC installations closed or realigned under the five previous BRAC rounds (BRAC (1988, 1991, 1993, 1995, and 2005) and \$58.2 million for environmental cleanup requirements. Additionally, the Army has included \$21 million in prior year funds for Polyfluoroalkyl Substances (PFAS) cleanup requirements, a carryover from the \$35 million PFAS funding provided to the Army in FY 2021. The Army continues to work with federal and state regulators to resolve complex environmental issues, including in regard to PFAS, that exist on Army's BRAC sites, to allow the property to be conveyed and used for a beneficial non-military purpose.

#### OPERATION AND MAINTENANCE OF FACILITIES

Facilities Sustainment, Restoration, and Modernization (FSRM). The Army is requesting \$5.4 billion in FSRM to address our backlog of facilities maintenance and provide sustainment to slow degradation of facilities and demolish facilities (\$90 million) no longer required.

Army Sustainment. The Army's FY 2022 Facilities Sustainment request for \$3,767 million (Active \$2,832 million, USAR \$255 million, ARNG \$682 million) will provide 80% of the Facility Sustainment Model requirements for all Components. It will allow maintenance work orders on all facilities and preventative maintenance orders on Quality of Life and mission readiness facilities. Army intends to ramp to the Office of the Secretary of Defense goal of 90% of FSM in future years.

Restoration and Modernization (R&M), Active Army. The FY 2022 request for the Active Army is \$1,142 million and will primarily fund restoration projects for barracks and Child Development Centers across the Army and readiness facilities including vehicle maintenance facilities and transportation infrastructure at key installations.

Restoration and Modernization (R&M), Army Reserve. The FY 2022 request for the Army Reserve is \$87 million and will primarily fund restoration projects for barracks, maintenance activities, and Reserve Centers.

Restoration and Modernization (R&M), Army National Guard. The FY 2022 request for the Army National Guard is \$263 million and will primarily fund restoration projects for barracks and training facilities.

#### BEYOND THE BUDGET

Leveraging Partnerships: The Army has a long history of leveraging public-public, public-private, and/or third party partnerships to optimize use of other than appropriated funds, improve Army readiness, and address underfunded requirements. These partnerships come in a variety of forms, but generally lead to increased investment on Army installations, enhanced provision of services, modernized infrastructure, and improved cooperation with other Services, communities, and organizations. The Army appreciates Congressional support for partnerships.

#### CONCLUSION

Army readiness begins on our installations. We need ready and resilient installations to ensure our Soldiers are properly trained and can be deployed anywhere in the world in order to fight and win our Nation's wars. Your continued advocacy helps to ensure we will remain an attractive option for current and future generations who want to serve their Nation and also retain the current force by meeting the expectations of an all-volunteer Army with capable, high-quality, and modernized installations.

Thank you for the opportunity to present this testimony and for your continued support of our Soldiers, Civilians, and Families.

Senator HEINRICH. Admiral Williamson.

**STATEMENT OF VICE ADMIRAL RICKY WILLIAMSON, DEPUTY CHIEF OF NAVAL OPERATIONS FOR FLEET READINESS AND LOGISTICS**

Admiral WILLIAMSON. Chairman Heinrich, Ranking Member Boozman, and distinguished members of the subcommittee. In conjunction with the other members of the panel, I appreciate the opportunity to provide an overview of the Navy's fiscal year 2022 Military Construction Budget Request. On behalf of our sailors and their families, thank you for your continued support to the Navy's and its military construction program in our 70 installations around the world, which enable us to strengthen readiness, to support and deliver new and more lethal platforms.

The Navy's fiscal year 2022 MILCON budget request of approximately 1.3 billion with 14 projects, which optimize Navy installations to enable global logistics and warfighter development, generation and employment from the shore, the proposed investments are deliberately targeted to slow further degradation of our facilities, and to address the existing backlog of facilities' maintenance and repair.

Our facilities, sustainment, restoration and modernization request of 3 billion will help to improve sustainment of our most critical facilities in support of overall mission readiness.

The additional request of 4.8 billion in base operating support allows ongoing focus on critical shore investments to include targeted climate resilience projects. This budget request will help to reduce the backlog, but it will take several years of consistent resourcing to achieve full recovery.

Finally, in support of our sailors and family, the Navy is committed to improving our privatized housing program through regaining the trust, and reinforcing oversight, and exercising active leadership. Over the past year, we have made significant progress on near-term efforts to better advocate for Service members and their families, increase awareness of problem resolution process, and increase involvement of Navy government housing team. We are committed to continuing these improvements moving forward.

It is a privilege to testify before the committee today, we are committed to being good stewards of taxpayers' dollars, and we will invest smartly to drive efficiency, and ensure best return of investment for the Nation, our sailors and civilians. I will look forward to your questions.

Thank you, Senator.

[The statement follows:]

PREPARED STATEMENT OF VADM RICKY LEE WILLIAMSON

Chairman Heinrich, Ranking Member Boozman, and distinguished members of the Committee, it is an honor to appear before you representing the thousands of Navy Sailors and civilians at our seventy installations worldwide. Thank you for the opportunity to testify about the importance of our infrastructure, its resiliency, and all of the base operating support required to meet the Navy's critical missions.

One innovative way that we look at installation resilience is by viewing our installations as military platforms with assigned missions. We then assess the ability of the installation platforms around the world to accomplish their missions despite deliberate actions by adversaries or natural events that may deny, disrupt, exploit, or destroy the ability of the installation platform to carry out those assigned missions. The operation and maintenance of these platforms, as well as their future develop-

ment and ability to support missions, require long-term planning, careful investment, and timely program execution.

Energy and climate resiliency are critical, as they are integral to the long term ability of our Navy to support ongoing operations, and ensure our Sailors are equipped to meet adversity. Energy resilience and climate resilience focus on consideration of environmental vulnerabilities in installation master planning, management of natural resources, design and construction standards, utility systems, and emergency management operations. Moving forward, the Navy will continue to prioritize all facets of resilience in installation decisions to ensure the ongoing, highest level of mission capabilities.

The Navy must deliver affordable, sustainable, environmentally compliant and safe shore platforms through improved processes. The Navy's FY 22 Military Construction (MILCON) program optimizes Navy installations to enable global logistics and force development, generation and employment from the shore. Targeted sustainment of existing assets and prioritized modernization of our infrastructure will ensure readiness at the lowest overall lifecycle cost. Investments in increased resilience of Navy installations to extreme weather events and sea-level rise will result in long term cost avoidance. Continued use of standard design criteria, increased use of expeditionary standards, and mandated use of standard designs for new construction will reduce delivery costs and increase buying capacity. Finally, in order to optimize the shore footprint and maximize resources, the Navy must consolidate and divest infrastructure that does not contribute directly to Fleet readiness and lethality.

#### MILCON EXECUTION

The Navy's Fiscal Year 2022 Military Construction request includes a total of \$1,307 million for fifteen projects, which includes \$258 million for Planning and Design, and \$41 million for Unspecified Minor Construction projects. These fifteen projects include five that are overseas totaling \$295 million to enhance global reach and persistent presence of forward-deployed naval forces, and \$485 million in funding associated with follow on increments of previously approved projects.

#### INFRASTRUCTURE SUSTAINMENT AND RESTORATION

When viewed as platforms, Navy installations missions enable fleet operations, equipment reconstitution, material sustainment, Total Force training, unit recovery, Sailor administrative support, and quality of life programs. Facility Sustainment, Restoration, and Modernization (FSRM) investment is necessary to ensure these missions can be carried out. The FSRM program maintains the working order of our facilities inventory and prevents premature condition degradation of mission critical facilities. We are prioritizing investments in our critical readiness infrastructure. Our public shipyards, dry docks, maintenance facilities, and aviation depots are vital national assets. The Shipyard Infrastructure Optimization Plan (SIOP) will deliver efficient and modernized shipyards through upgrading existing dry docks and building new ones, reimagining the physical layout of the shipyards, and replacing antiquated capital equipment with modern machines. Additionally, we are investing in our fleet support infrastructure, the global network of bases and stations, that generates naval power from the shore. Navy Shore leadership is preparing a long-term strategic investment plan that focuses our resources on the locations that best support our future force.

Base Operating Support (BOS) comprises Fleet Operations, Safety and Security, Facility Support, Navy Quality of Life, and Mission Support and Management programs provided to seventy Navy Installations. BOS funding remains essentially flat, creating challenges as new priorities arise each year. BOS funding is prioritized to support increased Fleet operational and installation security requirements.

Additionally, the Navy will address climate change and resiliency within the FSRM program. These projects enhance the Navy's waterfront resiliency against environmental and other vulnerabilities and improve utility infrastructure, increasing the Navy installations' energy and water resiliency, efficiency, and security.

#### MILITARY HOUSING

The Navy is committed to providing quality and safe housing for all of our Sailors and their families. Our family housing Fiscal Year budget request supports renovation of Navy Family Housing units as well as continued support of our Public Private partnerships. Over the past two years, all levels of leadership across the Navy have been laser-focused on improving the privatized housing experience for our service members and their families. Installation Commanding Officers are personally involved in resolving privatized housing issues and advocating for military families.

Finally, we have made significant progress on near-term efforts to better advocate, increase awareness of the problem resolution process, and increase involvement of the Navy government housing team.

CONCLUSION

Thank you for the opportunity to testify before you today. We look forward to working with you to continue enhancing and enabling warfighting capability and readiness through optimization and increased resiliency of our installation platforms to support Navy critical missions across the spectrum of competition.

Senator HEINRICH. General Chiarotti.

**STATEMENT OF LIEUTENANT GENERAL CHARLES CHIAROTTI, DEPUTY COMMANDANT, INSTALLATIONS & LOGISTICS**

General CHIAROTTI. Chairman Heinrich, Ranking Member Boozman, and distinguished members of the subcommittee, I appreciate the opportunity to discuss this year's Marine Corps Installations and Family Housing Budget. Our installations are critical to the ability to train our forces and maintain readiness. And thanks to the strong support we have received from Congress, the Marine Corps continues to improve the quality and resiliency of its installation's infrastructure.

I would like to start by expressing my gratitude for the support provided to rebuild the infrastructure damaged by Hurricane Florence in 2018. The effects of that storm highlighted the need to modernize our infrastructure so that it was more resilient to the effects of extreme weather. We sincerely appreciate your rapid support in providing the resources to restore our facilities on the East Coast.

The Marine Corps' fiscal year 2022 MILCON budget request is for \$1.1 billion for 15 projects, eight projects totaling about 500 million to support the Defense Program Review Initiative, as well as modernization and recapitalization projects. The Marine Corps operates installations and support infrastructure worldwide valued at more than \$110 billion. These assets must be properly maintained to prevent degradation of our ability to train and generate readiness for global employment to support our mission essential tasks.

Our installations must be resilient to the wide variety of threats, this resiliency rest in the ability to maintain reliable access to critical functions, such as an effective power grid, clean water distribution, and communications capabilities.

The Marine Corps has undertaken several initiatives to retain this access. For example, at Marine Corps Logistics Base Albany, the Marine Corps' first net-zero installation, and at Marine Corps Recruit Depot Parris Island, and Marine Corps Air Station Miramar, we also are conducting black start exercises earlier this year, which shows our independence from the commercial grid, and our ability to operate an extended period of time off of the grid.

The Marine Corps is undergoing a significant transition in how it is organized, trained, and equipped to meet the current and evolving threats from our peer adversaries. The future force will have new capabilities whose installations requirements are difficult to fully determine at present. The Marine Corps has continued to evaluate the facilities' requirement of this force, as the Service's experimentation efforts continues, these new requirements for support and protection will come into greater focus.

Finally, the quality of life of our marines, and sailors, and their families is integral to the effectiveness of the force. The overall goal of Military Family Housing Privatization Program is to provide safe, quality, and affordable housing to our Military and Marine Corps, and the Marine Corps views its role in providing these homes as a top priority.

In conclusion, the Marine Corps' installations must prove resilient against a variety of threats we face, and must modernize our installations to protect our ability to generate combat power in support of our Title X responsibilities. Our operational capabilities are adapting to meet these threat changes, and we need to invest in the next generation of installation infrastructure to sustain the force of the future.

Thank you for the opportunity to testify before you today, your oversight input and support as we determine the infrastructure requirements that will best position the Marine Corps for mission accomplishment. I look forward to working with you to sustain our war-fighting capabilities and the readiness of our power projection platforms. Thank you, sir.

[The statement follows:]

PREPARED STATEMENT OF LT. GEN. CHARLES G. CHIAROTTI

Chairman Heinrich, Ranking Member Boozman, and distinguished Members of the Committee, I appreciate the opportunity to discuss this year's Marine Corps installations budget. Our installations are critical to our ability to train forces and maintain readiness, and thanks to the strong support we have received from Congress, the Marine Corps continues to improve the quality and resiliency of its installations infrastructure.

First, I'd like to express my sincere gratitude for the swift response and support that was provided to rebuild the infrastructure that was damaged when Hurricane Florence made landfall in North Carolina in the fall of 2018. The effects of that storm highlighted the need to modernize our infrastructure and make it more resilient so it can withstand the effects of extreme weather, with minimal interruption to training and operations. We appreciate your rapid support in providing the resources to restore II Marine Expeditionary Force's ability to train and generate combat readiness.

The Marine Corps operates installations and support infrastructure worldwide valued at more than \$110 billion that are used to train, house, and provide quality of life support for our Marines, Sailors, and their families. This infrastructure must be properly maintained to prevent degradation of our capability to train and generate readiness for global employment to support our mission-essential tasks. Protecting our installations, supporting new warfighting and training capabilities, and sustaining infrastructure are top priorities for the Marine Corps.

The Marine Corps' Fiscal Year 2022 Military Construction request is \$1.133 billion for 15 projects, which includes \$112 million for planning and design, \$18 million for unspecified minor construction projects, and \$136 million associated with follow-on increments of previously approved projects. These 15 projects include 8 projects totaling \$498 million to support the relocation of forces to Guam enhancing force posture in the Pacific.

INSTALLATIONS RESILIENCY AND RESILIENCY INITIATIVES

We define installation resilience as the ability of our installations around the world to achieve mission accomplishment in the face of threats, both kinetic and non-kinetic, that may deny, disrupt, exploit, or destroy critical infrastructure elements which would inhibit our ability to generate combat readiness. Our installations must be resilient to a wide variety of threats—from asymmetric attacks, to the effects of climate change and extreme weather. Additionally, installation resiliency must be continually assessed in response to the rapid technological changes that define this increasingly complex security environment. We must maintain the flexibility to adapt and evolve our infrastructure protection measures to be resilient not only to today's threats, but also to provide protection against the threats of the future. Effective operations and maintenance of installations as well as thoughtful fu-

ture development and employment requires long-term planning, careful investment, and timely program execution.

Installation resiliency rests in the ability to maintain reliable access to critical functions, such as an effective power grid, clean water distribution, and communications capabilities. The Marine Corps has undertaken several initiatives to retain this access. For example, Marine Corps Logistics Base Albany is the first United States Marine Corps Net Zero Installation: the base produces as much electricity from renewable “green” energy sources as it consumes from the utility providers in the surrounding community. The transition to Net Zero has improved the resiliency of the base while reducing reliance on traditional energy sources and cutting back on greenhouse gas emissions.

The Marine Corps has also installed two smart grids at Marine Corps Recruit Depot Parris Island and Marine Corps Air Station Miramar, which enable continuity of critical installation functions in the event of a power outage. MCAS Miramar was the first Marine Corps installation to conduct a Black Start exercise earlier this year, which provided critical lessons learned to understanding how to improve installation resilience in the face of power outages and other utility failures. Continuing to invest in projects such as Net Zero initiatives and smart grids will place the Marine Corps on a trajectory to meet future requirements while withstanding disruptive weather events.

#### FORCE DESIGN AND INSTALLATIONS

The Marine Corps is currently undergoing a significant transition in how it is organized, trained, and equipped, to meet current and evolving threats from our peer adversaries. In addition to developing new operating concepts, increasing integration with the Navy, and modernizing the equipment we employ, the Marine Corps’ installations infrastructure must also evolve. Our installations are more than a collection of buildings, ranges, and airfields. They are global warfighting platforms that support execution of our Title X responsibilities and provide a home for our Marines, Sailors, and their families.

In this effort, sound infrastructure is a critical capability. The readiness of our infrastructure cannot just be measured in terms of the physical condition of our buildings but must also consider the optimal posture of the force around the globe and our resilience against the impacts of climate change and extreme weather events.

The Future Force will have new capabilities whose installation requirements are difficult to fully determine at present. Further, due to the rise of peer and near peer threats, several of our bases and stations must persist inside the Weapons Engagement Zone of our adversaries which presents unique challenges for installation resilience. The Marine Corps is continuing to evaluate the facilities requirements of the force. As the service’s experimentation effort continues, these new requirements for support and protection will come into greater focus.

#### PPV HOUSING

The quality of life of our Marines, Sailors, and their families, is integral to the effectiveness of our force, and the overall goal of the Military Family Housing Privatization program is to provide safe, quality, and affordable housing to our military families comparable to what is available on the local economy. Our Public Private Venture (PPV) partners are responsible for providing the day-to-day operations and the management of the PPV portfolio, and the Marine Corps is responsible for providing the required oversight of the homes to ensure that they are habitable, that any identified health concerns are properly addressed, and that residents are being charged fairly for services received.

The Marine Corps, along with our partners and sister services, continues to implement the requirements of the FY20 and FY21 NDAA’s and the Tenant Bill of Rights. The Marine Corps views its role in providing homes to our Marines, Sailors, and their families as a top priority and we are committed to providing the necessary tools and resources to our installation commanders and other senior installation leadership.

#### BUDGET UNCERTAINTY AND THE MILCON PROCESS

With Congress’ strong support, the Marine Corps has made significant progress over the last decade in replacing aging and underperforming infrastructure, and we are extremely grateful for the rapid infusion of financial support in response to Hurricane Florence. However, the possibility of future budget uncertainty has the potential to erode readiness and negatively impacts the service’s ability to make the long-term decisions required for maintaining healthy installations. Predictable budgets

over a sustained period are critical for installation readiness, and enable the Marine Corps to effectively respond to both operational and climate-related threats using a deliberate MILCON process.

CONCLUSION

The Marine Corps' installations must prove resilient against the myriad threats we face. We must modernize our installations to protect our forces. Our operational capabilities are adapting to meet threat changes, and we need to invest in the next generation installation infrastructure to match the Marine Corps' evolving capabilities. Thank you for the opportunity to testify before you today, and for your oversight, input, and support as we determine the infrastructure requirements that will best position the Marine Corps for mission accomplishment. I look forward to working with you to sustain our warfighting capability and the readiness of our power projection platforms.

Senator HEINRICH. General Berry.

**STATEMENT OF LIEUTENANT GENERAL WARREN BERRY, DEPUTY CHIEF OF STAFF FOR LOGISTICS, ENGINEERING, AND FORCE PROTECTION**

General BERRY. Good morning, Chairman Heinrich, Ranking Member Boozman, and distinguished members of the subcommittee. I am honored to appear before you today to discuss Air Force, Military Construction and Family Housing.

I am pleased to tell the subcommittee that the Department's investment in this portfolio returned to historic norms in fiscal year 2022 request. Throughout the last year we have made great strides at improving our processes to build a more mature and stable MILCON program, ultimately increasing the likelihood of successful award and execution.

We anchored on 35 percent design criteria, created a two-year program lock to further stabilize the program, and optimize planning and design expenditures, and enforced admissibility criteria with requirement owners to ensure only the most ready projects were included in the budget proposal.

As a result, our fiscal year 2022 MILCON request of \$2.38 billion is a significant step up from fiscal year 2021. As you know, our installations are not only power projection platforms for our many weapons systems and missions; they are also home for many of our airmen, guardians, and their families. And those that don't live on base often rely on the many services those installations provide.

Throughout this portfolio, we strive to strike that balance between mission and people, so we can continue to provide safe, secure, and resilient bases for both. In that vein, our fiscal year 2022 request includes \$637 million for efforts which directly support Service members and their families, including housing, construction, housing, operations, and maintenance, privatized housing oversight, as well as new construction of dorms and a child development center.

For information, our MILCON program focuses on three key areas: nine projects worth \$431 million supporting modernization of the nuclear triad, specifically ground-based strategic deterrent and the B-21 Raider, 20 projects worth \$793 million to support combatant commanders, particularly in Europe and the Pacific, and \$229 million for planning and design to ensure continued MILCON execution success going forward.

While not part of the fiscal year 2022 request, our enterprise remains heavily invested in natural disaster recovery efforts. The Air

Force is extremely thankful to this subcommittee for the support of these efforts. With the \$3.6 billion provided in fiscal years 2019 and 2020, the Air Force is rebuilding Tyndall and Offutt Air Force Bases, in a more efficient and resilient way.

The first MILCON project at Tyndall, a child development center, was awarded in September. Design efforts are underway for the rest of the program, and I expect to start seeing additional construction contract awards this summer, with approximately two-thirds of the remaining requirements on contract by the end of the fiscal year.

And finally, I would like to quickly mention our efforts to support the standup of the United States Space Force. Though details are still being worked out, the Space Force will continue to leverage current Air Force installation support processes.

In fiscal year 2022, the Department transferred facility restoration, modernization, and sustainment, along with unaccompanied housing and facilities operations funds to the Space Force for execution. We then expect MILCON funds to be transferred by fiscal year 2024.

For the fiscal year 2022 program bill, Space Force MILCON priorities were considered in our existing Department of the Air Force, MILCON prioritization process. This portfolio is essential to the health of our vast infrastructure, infrastructure that is not only critical to mission success, but also to the wellbeing of our airmen, guardians, and their families.

We thank the subcommittee for your interest and support. And I thank you for the opportunity to testify today. I look forward to answering your questions.

[The statement follows:]

#### PREPARED STATEMENT OF LT. GEN. WARREN D. BERRY

##### INTRODUCTION

Every Department of the Air Force (DAF) mission begins and ends on an installation. They are the foundations from which we project power, generate readiness, test new platforms, and support Joint operations. Our installations also provide safe and healthy communities for more than 330,000 Airmen, Guardians, and their families. In order to ensure Joint Force mission success in the future fight, we require an integrated network of ready and resilient Air and Space Force installations that are postured to deliver critical warfighting capabilities around the world and withstand any threat our adversaries may present.

Our nation's military faces several challenges, including the rise of great power competition with China and Russia, increasing complexity of simultaneous multi-domain threats, ever-present fiscal pressures, and rapidly evolving technologies. Climate change and severe weather events also pose a significant threat to our installations that must be accounted for in our infrastructure investments. The Fiscal Year 2022 (FY22) President's Budget Request supports the Interim National Security Strategic Guidance and lays out a plan to modernize our military capabilities in order to successfully overcome these challenges. The Military Construction (MILCON) budget prioritizes nuclear enterprise modernization and Combatant Command (CCMD) infrastructure support to deter our adversaries in the European and Pacific theaters. The budget request also provides important quality of life investments in housing, dorms, and community support facilities. The result is a budget request that supports installations' capacity to fulfill mission requirements and ensures we meet the needs of our Airmen, Guardians, and their families.

##### CHALLENGES

Within the installation investment portfolio, the DAF also faces a variety of challenges that influence our investment decisions and budget execution. We remain committed to addressing these challenges and appreciate the continued support

from Congress to overcome them and ensure the Air and Space Forces may continue to successfully defend the Nation and her allies.

Seeking to balance readiness, modernization, and recapitalization has forced the DAF to accept risk in installation investment as limited resources are prioritized to the Joint Force's most critical needs. Over time, deferral of facility and infrastructure requirements has resulted in a maintenance and repair backlog of more than \$30 billion. If left unchecked, the declining condition of infrastructure will impact the Department's ability to safely and effectively execute our mission. Additionally, atrophied facilities and infrastructure are more susceptible to impact from routine and severe weather events. The damage caused by Hurricane Michael at Tyndall Air Force Base (AFB) serves as an example of this, where recently constructed facilities using updated building codes weathered the storm better than degraded or older facilities which were constructed under outdated building codes and subjected to longer term deferred maintenance. We also observed the impact of deferred infrastructure investments during damage assessments from recent severe winter storms across the United States. In many instances, degraded facility systems and components failed, causing water and fire suppression liquids to freeze, expand, and eventually burst the pipes.

The DAF has also struggled to award MILCON projects in the year of appropriation. Sub-optimal design maturity, as a result of insufficient budgeting for Planning and Design (P&D), significantly contributed to cost overruns and drove the need to request additional funds or reprogramming. Design maturity issues also led to the need to finish or re-design projects after funding was appropriated leading to additional cost increases and construction award delays. These delays have also left MILCON funds susceptible to rescission or reallocation.

#### OVERCOMING CHALLENGES

The DAF is working to overcome these challenges through continued implementation of our Infrastructure Investment Strategy (I2S) and reforms within our MILCON program. First introduced in 2019, the I2S is the Department's long-term strategy to cost-effectively modernize and restore infrastructure readiness, improve the resiliency of mission-critical nodes, and drive innovation in installation management practices. This strategy informs efforts to optimize facility and infrastructure investment decisions and project prioritization within the MILCON and Facilities Restoration, Sustainment, and Modernization (FSRM) programs. The I2S also focuses on the recapitalization of facilities and infrastructure by identifying opportunities to reduce costly infrastructure in poor condition which no longer sufficiently meets mission requirements.

In an effort to leverage advanced infrastructure risk analytics, the DAF continues to develop predictive models, which use current building condition information, to drive project prioritization and funding decisions. As a result, the DAF developed our first five-year Integrated Priority List (IPL) for FSRM projects for the FY21–25 program and continues it this year. This is a key step in our intentional shifting from a “worst-first” prioritization approach to investing at the optimal time of the lifecycle for a facility, otherwise known as “sweet spot” investing.

In building the FY 22 program, the DAF took great strides to build a mature, stable MILCON program to address award timeline issues and cost overruns. We anchored on 35% design criteria to ensure project documentation was consistent for every project, created a two-year program lock to stabilize the program and optimize P&D expenditures, and enforced admissibility criteria with requirement owners across the enterprise to ensure only ready projects were included in the budget proposal. The FY 22 program includes only two projects (Royal Air Force Lakenheath Weapons Load Training Facility and Munitions Inspection Facility) that did not meet the Financial Management Regulation 35% design milestone by August 31st, 2020, but these projects reached 35% design on January 29th, 2021, and are on track to award in the year of appropriation. Additionally, all projects exceeding \$40 million include Design/Construction Agent cost assessments to further build confidence in our program and estimates. We were also able to address under-designed projects over the last year. We used a portion of our FY 21 appropriation to provide funding to bring all previously authorized and appropriated projects to full design.

The I2S also recommends programming annual Maintenance and Repair (M&R) funding at a minimum investment level of 2% of Plant Replacement Value (PRV), with an ultimate goal of 2.3% of PRV, to reduce the growing backlog of deferred maintenance and restore our facilities and infrastructure. M&R consists of our FSRM portfolio as well as the portion of the MILCON program that recapitalizes

existing infrastructure. The baseline funding level request for FY 22 demonstrates our deliberate efforts to align our budget request to the I2S.

#### SPECIAL INTEREST ITEMS

##### *COVID-19*

The COVID-19 pandemic has challenged the DAF to adapt to sustain our global operations. In particular, travel restrictions and social distancing measures affected personnel access at some installations, material production and delivery, and construction design reviews. Access and material production and delivery issues were alleviated as the world came to grips with the pandemic and markets and processes adapted to the new normal. The DAF adapted to design review challenges by utilizing virtual platforms to complete remote design reviews and charrettes, which typically require group gatherings, to prevent design delays and maintain quality reviews. Should any delays arise in the future, the DAF is prepared to work with our Design/Construction Agents and base level contracting professionals to address any Requests for Equitable Adjustments. While no significant requests for delay-driven compensation have arisen yet, contractors may quantify COVID-related costs in the future.

Additionally, the DAF is gathering data on potential footprint reductions resulting from implementation of long-term telework business models. We are looking at operational impacts and more subtle effects like DAF culture. The outcome of this analysis may inform future policy changes.

##### *Tackling the Climate Crisis*

Secretary of Defense Austin recently released his top three priorities for the Department of Defense (DoD): Defend the Nation, Take Care of our People, and Succeed through Teamwork. He identified tackling the climate crisis as one of the lines of effort under the priority to defend the nation, elevating climate consideration as a national security priority for the DoD. Changing climate and severe weather events are a continual threat to our installations. Over the past several years, the DAF has directly witnessed the impacts climate and severe weather can have on our installations. We are leveraging these lessons learned through our rebuild efforts at Tyndall AFB, Florida, following the devastation caused by Hurricane Michael in 2018 and Offutt AFB, Nebraska, following historic flooding in 2019. We are also recovering from recent winter storms that brought extreme cold to much of the United States, impacting dozens of DAF installations.

In recent years, Congress has passed several legislative initiatives to enhance installation resilience efforts across the DoD. The DAF, in conjunction with the Office of the Secretary of Defense (OSD), works to implement these provisions at our installations. We are incorporating climate and energy resiliency considerations in our Installation Development Plans (IDPs). Last year, we published a Severe Weather and Climate Hazard Screening and Risk Assessment Playbook, which gives installation-level planners a consistent and systematic framework to screen for severe weather and climate hazards and assess current and future risks. We have completed initial assessments at all major installations and will be incorporating results into an addendum to our IDPs with a focus on installation resilience over the next several years. Additionally, we have completed twenty four Installation Energy Plans (IEPs) to identify risks and track and adjust requirements to advance energy and water resilience goals. We expect to complete an additional twenty IEPs this year.

The DAF is incorporating resiliency planning directly into MILCON projects as well. All projects are assessed to determine if the planned facility could be impacted by current or future mean sea level fluctuations or if it is located in a 100 year floodplain. We implement mitigation actions to raise the elevation when required by the mission. One mitigation action example from Offutt AFB, addresses future flood concerns. As part of the rebuild of three critical campuses, we are importing approximately 600,000 cubic yards of fill material, or about 40,000 dump trucks, to raise the elevation of the entire site at least three feet above the 100 year floodplain. Additionally, the DAF provides inputs to drive changes to the Unified Facilities Criteria (UFCs) and then applies those evolving building codes to all MILCON projects. Many of these UFCs have been updated recently to specifically incorporate resilience considerations such as sea level rise scenario planning and updated structural engineering criteria to address wind, seismic, and flood threats.

##### *Natural Disaster Recovery Efforts*

In 2019 and 2020, Congress appropriated \$3.6 billion for the recovery and rebuild of Tyndall AFB, Florida, from the devastation caused by Hurricane Michael and Offutt AFB, Nebraska, from the effects of historic flooding. The funding also enables

construction at Joint Base Langley-Eustis, Virginia, to support the relocation of the F-22 Raptor training mission from Tyndall AFB. To date, the DAF has awarded five construction projects for a total of \$72 million, and design efforts continue for the rest of the program. The DAF expects to award an additional \$2.25 billion of construction contracts by the end of 2021.

Through the Natural Disaster Recovery program, the DAF will rebuild these installations more efficiently and resiliently. Facilities are being designed and constructed using the latest Department of Defense building codes, or UFCs. Additionally, given the extensive damage at Tyndall AFB, the DAF made a policy decision to design beyond the minimum UFC criteria for civil and structural engineering. The minimum design wind speed being used for all new facilities is 165 miles per hour, exceeding the highest wind speed captured during Hurricane Michael, and incorporates best practices from the Florida Building Code's High Velocity Hurricane Zone for Miami-Dade, Broward, and coastal Palm Beach Counties. Facilities are also being designed 14 to 19 feet above today's mean sea level, which incorporates a 7-foot projected sea level rise scenario through the year 2100. Additionally, coastal resiliency is one of the most important aspects to the plan at Tyndall. This partnered approach includes cost-shared investments which combine with DAF FSRM and MILCON investments to attenuate storm energy through natural infrastructure before it reaches built infrastructure. Key partners such as the Defense Advanced Research Projects Agency, Fish and Wildlife Service, Bay County, the Florida Department of Environmental Protection, and the University of Florida are working together as part of OSD's Readiness and Environmental Protection Integration Program on key initiatives. We are exploring several low life-cycle cost Engineering with Nature initiatives to include sand fencing, submerged shoreline stabilization, living shorelines, oyster reefs, and marsh and seagrass enhancements. At Offutt AFB, we are consolidating facilities to higher ground out of the 100-year floodplain. Where relocation is not possible due to mission requirements, we are raising the finished floor elevation above the floodplain and building in a way to minimize clean-up should flooding occur again.

#### *Winter Storms of 2021*

Recent extreme winter storms throughout much of the Midwest and southern United States had a considerable impact on DAF installations. Initial assessments indicate some degree of damage at 28 installations. The DAF continues to assess the damage and will restore facilities to full mission capability.

A majority of the damage was the result of burst water and fire suppression lines due to freezing. Our personnel prepared our installations admirably, but numerous factors, including sustained periods of extreme cold, degraded facilities and infrastructure, and off-base power and water supply issues, led to damage and temporary interruptions. Several installations experienced limited power or water interruptions consistent with interruptions experienced by the local communities. Back-up energy sources and contingency plans, as well as effective coordination with commercial power and water suppliers, were generally effective in minimizing the length and impact of utility interruptions. In some cases, such as at Offutt AFB, installations were able to use on-base power plants and generators to supply their own power. These efforts were instrumental in helping the utility provider stabilize the power grid and minimize rolling blackouts in the community.

#### *Taking Care of Airmen*

In December 2020, the Chief of Staff of the Air Force, General Charles Q. Brown, released a series of action orders providing guidance to implement his strategic approach, "Accelerate Change or Lose." The first action order focuses on Airmen. If the Service is to ensure it has a quality future force where Airmen see continued service as an attractive career choice, we must consider the environments we provide for these Airmen and their families at DAF installations. Taking care of Airmen, and now Guardians, and their families is not just about quality of life, it is also about readiness. It is at the forefront of ensuring the DAF can continue to provide critical warfighting capabilities to the nation. Two programs with direct ties to quality of life are Child Development Centers (CDC) and dormitories.

In early 2020, the DAF established a cross-functional Child Care Capacity Initiative Working Group to address unmet child care needs. This team has prioritized child development and school age care facility projects based on unmet childcare demand, staffing, and building conditions. We issued a Strategic Enterprise Executive Decision memo directing installations to initiate planning actions for 14 projects identified on the prioritized list. The DAF is using the \$11 million in MILCON P&D funds provided in FY 20 to initiate designs and posture these projects for future execution. Five of our top priority CDCs—Sheppard AFB-Texas (TX), Joint Base San

Antonio (JBSA)—Lackland-TX, JBSA—Fort Sam Houston-TX, Wright Patterson AFB-Ohio, and Royal Air Force (RAF) Lakenheath, in the United Kingdom—will be ready for execution in FY 22. The Sheppard AFB CDC is included in the FY 22 budget request. The fifth CDC at Royal Air Force Lakenheath in the United Kingdom is required due to the new F-35A mission bed down. CDCs historically have not completed well against other mission-related priorities in the MILCON program. We are addressing childcare facility concerns with FSRM and MILCON in FY 2022. Additionally, we are posturing MILCON projects for future execution. Eleven FSRM projects, valued at \$44 million, are in development and will be ready for award in FY 22. As previously stated, the DAF will construct a new child development center at Sheppard Air Force Base, Texas for \$20 million.

The DAF is also committed to ensuring unaccompanied service members are provided quality housing on our dormitory campuses. The Department has re-emphasized the roles and responsibilities of commanders in protecting the health and safety of unaccompanied Airmen and Guardians. Commanders are responsible for enforcing inspection criteria to identify and report conditions requiring immediate and future maintenance, as well as sustaining an adequately resourced maintenance and repair program to effectively address requirements. Funded from the DAF FSRM account, the investment strategy for dormitories focuses on restoration and modernization of these facilities in their existing configurations. This strategy will ensure the Service continues to meet the DoD goal whereby 90% of dormitory rooms are in good or better condition, based on the Facility Condition Index score, for permanent party unaccompanied Airmen and Guardians and will reduce the requirement for replacement construction. We are focused on ensuring the Air Force continues to invest in maintenance and repair work as required to keep these facilities functioning as originally intended. This enables the DAF to focus MILCON funds on modern, formal training facilities for newly recruited Airmen, such as the Airman Training Center at Joint Base San Antonio—Lackland, Texas, included in the FY 22 budget request.

#### *Space Force*

The FY20 National Defense Authorization Act NDAA established the United States Space Force (USSF) as the sixth branch of the armed forces. In accordance with DoD direction that the Space Force be established as a lean, agile, mission-focused military Service, the Space Force will rely on the Air Force for infrastructure, logistics, security, medical services, and a host of other support functions. Formal agreements and implementation plans are being finalized to codify all stakeholder roles and responsibilities. From an installation engineering perspective, Air Force civil engineer squadrons will continue to support Space Force installations as they did prior to establishment of the Space Force. Air Force Materiel Command's Air Force Installation and Mission Support Center will continue to provide enterprise level support for all installation and mission support programs and processes. In FY 22, the DAF will transfer FSRM, unaccompanied housing, and facilities operations funds to the Space Force for execution. MILCON authorization is expected to be transferred to the Space Force by FY 24. The Space Force is in the process of developing a separate governance process, leveraging current Air Force processes, to ensure strategic alignment of investments to Space Force priorities.

#### FY22 MILCON PROGRAM

In FY 21, the DAF focused on MILCON program stability to ensure we are postured to award projects in the year of appropriation. Having improved policy to correct these measures in FY 21, the FY 22 program returns to a level similar to funding requests from previous years. In FY 22, the DAF MILCON request is \$2.38 billion, approximately double the FY 21 enacted amount. This return to previous funding levels will support the DAF's commitment to fulfilling National Defense Strategy requirements and posturing for the future high-end fight.

The FY 22 MILCON program supports Combatant Commanders with a focus on the Pacific and European theaters and modernizing the nuclear enterprise. Our request also focuses on P&D to reinforce the Department's MILCON program stability and consistency. Additionally, the MILCON program continues efforts to beddown new weapons systems and seeks to recapitalize facilities that have outlived their useable life or no longer meet mission requirements.

#### *Combatant Commander Infrastructure*

The FY 22 MILCON program prioritizes Combatant Commander requirements with a particular emphasis on the Pacific and European theaters. Support to Indo-Pacific Command will enhance the United States defensive posture in the region, reassure allies and partners, and increase readiness capabilities. The request in-

cludes \$571 million for projects in Alaska, Guam, Japan, and Australia to recapitalize key facilities, disperse resources, and construct operational facilities as well as Pacific focused P&D. The request includes the construction of three warehouses to store pre-positioned Airfield Damage Repair equipment and materials in Guam and Japan, aircraft operations and maintenance facilities in Australia and Japan, munitions storage structures in Guam and Japan, and a runway extension to increase airfield capacity in Alaska.

The DAF remains committed to European Defense Initiative (EDI) efforts to reassure North Atlantic Treaty Organization allies and other European partners of United States commitment to collective security and territorial integrity. In FY 22, the DAF requests \$162.4 million for EDI and other European theater projects to include support for the repositioning of equipment in the United Kingdom, and airfield upgrades in Hungary and Spain. These projects will further improve deterrence efforts in the theater and enable Joint and coalition forces to quickly respond to aggressive regional actors. The DAF request also includes support to CCMDs within the United States to include a continued focus on Weapons Generation Facilities and Joint Air Defense Operations which directly supports Strategic Command and Northern Command, respectively.

#### *New Mission Beddowns*

The FY 22 budget request also supports the beddown of new weapons systems and missions, with a heavy focus on modernizing the nuclear enterprise. The request includes six projects at Ellsworth AFB, South Dakota, to bed down the first B-21 Raiders and three projects at Hill AFB, Utah, and Vandenberg AFB, California to support the transition from the Minuteman III intercontinental ballistic missile weapon system to the Ground Based Strategic Deterrent (GBSD). The NDS directs the Department of Defense to build a more lethal force by modernizing key capabilities, the first of which are nuclear forces. Once on-line, these weapons systems will ensure the DAF can effectively supply two thirds of the nation's nuclear triad well into the future.

The DAF is appreciative of the legislative authorities which posture the Ground Based Strategic Deterrent (GBSD) program for success. The FY 21 NDAA provided significant flexibility for the Launch Facility/Launch Center conversion under MILCON authorization, enabled all GBSD construction to be carried out under direction and supervision by the Secretary of the Air Force, and allowed a single prime contractor to plan, design, and construct all GBSD projects. Furthermore, it established authorization expiration in 15 years or until GBSD fielding is complete (whichever is earlier). The DAF will continue to inform Congress on the Department's progress during design, construction, and commissioning of GBSD facilities.

The FY 22 President's Budget also requests funding for two projects at Royal Air Force Lakenheath to construct operational facilities for the F-35A bed down. Additionally, the request re-integrates two F-35A projects at Luke AFB, Arizona, to provide flight training and planning space and additional maintenance capacity. The Air Force cancelled these projects in 2019 due to a strategic basing decision which promoted the efficient use of existing facilities, training airspace, and command and control at Eglin AFB, Florida. FY 22 is the optimal time to re-integrate these projects, as they are critical to receive new F-35A aircraft at Luke AFB. Lastly, the budget request includes a three-bay depot maintenance hangar at Tinker AFB, Oklahoma to directly support reliable and responsive infrastructure for the KC-46A weapons system.

#### *Existing Mission Recapitalization*

The FY 22 budget request also seeks \$447.4 million to recapitalize facilities that have outlived their useable life or no longer meet mission requirements. This request includes additional funding for our Basic Military Trainee Recruit Dormitory modernization, to include reinserting Dormitory 7 back into the program at Joint Base San Antonio—Lackland, Texas. The Air Force previously cancelled Dormitory 7 to cover funding disconnects with the other dormitories in the program, but in FY 22, the time is right to bring this requirement back into the budget to construct the final dormitory required for bringing new Airmen and Guardians into the Department. Other recapitalization projects include the Nuclear Command Control and Communications Acquisitions Management Facility at Hanscom AFB, Massachusetts, which provides a critical facility for the Air Force Nuclear Weapons Center, a crash fire rescue station at Joint Base Andrews, Maryland, and a gate project at Davis-Monthan AFB, Arizona.

Additionally, the request includes a CDC at Sheppard AFB, Texas, which is the DAF's top priority to address child care capacity shortfalls.

### *Planning and Design*

P&D remains a central focus of the DAF MILCON program to reinforce program stability and consistency. Sufficient P&D enables projects to progress rapidly through design and meet maturity criteria for admissibility into the program, provides more accurate cost estimates, and maximizes opportunity to award projects in the year of appropriation. Without sufficient P&D, the DAF must award designs by design phase, which adds risk associated with costs and timely delivery of design. With the FY 22 P&D request of \$253.5 million, the DAF intends to complete remaining design requirements for our FY 22 program, fully fund designs for our planned FY 23 and FY 24 projects, and initiate design for FY 25. Our two year budget lock policy outcome is a stable MILCON program allowing us to efficiently use P&D for future projects.

#### FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (FSRM)

The FSRM and MILCON programs are interdependent. Together, these two funding streams are the foundation of DAF installations. FSRM provides a non-MILCON pathway to repair facilities and infrastructure maximizing their lifespan. The FY 22 budget request of \$3.9 billion in FSRM funding is an 18% increase from FY 21 enacted levels. The increase shows our deliberate focus on ramping funding toward the I2S recommended floor of 1.9% of PRV to address degrading infrastructure.

Our I2S drove changes in how we execute the FSRM program by prioritizing projects based on mission risk and timing investments at the optimal point in the asset lifecycle. The centralized FSRM scoring model targets investments at an asset's "sweet spot" in its life cycle rather than at end-of-life failure, which is significantly more expensive. FSRM funding distributed directly to installations (considered decentralized FSRM), empowers Commanders to make the right local investment decisions, including day-to-day maintenance and smaller scale repair and sustainment projects, based on mission requirements and I2S guidance.

#### HOUSING CONSTRUCTION AND OPERATION AND MAINTENANCE

The DAF prioritizes providing safe and healthy homes to our families. The FY 22 budget request seeks \$441 million for housing construction, P&D, and operation and maintenance. These funds will support a continued focus on eliminating inadequate housing from the DAF inventory. The military family housing construction request of \$116 million will fund planning studies and design for future construction projects, the renovation of existing homes, and supports the restructures of two privatized housing projects that are under currently under negotiation with the privatized housing project companies.

The high cost of construction in the Pacific, specifically at Okinawa, Japan, continues to present challenges where the DAF is the executive agent for more than 7,800 family housing units. The increased cost of construction requires solutions within the DAF family housing construction program to include cancelling projects that are no longer necessary due to European theatre posture changes and using existing resources to achieve full scope on multiple projects. The DAF continues to focus investment in the Okinawa housing inventory to provide adequate housing for all service members and their families residing on the island.

Our military family housing operation and maintenance request of \$325 million will fund efforts to sustain, improve, and modernize our Government-owned inventory of approximately 15,200 family housing units and provide and sustain enhanced oversight of more than 55,000 privatized homes. The additional \$20 million in Family Housing Support and Management funding provided in FY 21 will ensure continued support for the housing needs of Airmen, Guardians, their families, and our Army, Navy and Marine Corps teammates housed in government-owned and privatized inventory.

#### PRIVATIZED HOUSING

The DAF, with the support of Congress, has taken substantive actions to address the concerns and make meaningful, enduring changes to our privatized military housing program. Over the past two years, DAF leadership at all levels has been focused on improving the living experience for service members and their families living in privatized housing while we implement housing reforms set out in the FY 20 and FY 21 NDAA's. Nearly all of Air Force's MHPI companies have agreed to implement all eighteen tenant rights at their existing projects, and with few exceptions, we expect these rights to be fully available at Air Force installations with privatized housing by the end of FY 2021. In addition, the Air Force has taken ac-

tion to increase oversight and increase accountability to ensure identified hazards have been corrected and, if not, contractors are held accountable.

Some highlights regarding the improvements the DAF implemented last year include increased program and project oversight. The DAF added and filled 218 manpower authorizations, and has filled them all, to improve oversight, quality assurance, and advocacy at all installations. The DAF also added 147 manpower authorizations to increase installation-level oversight. These additional personnel are receiving training to conduct change of occupancy inspections consistent with national industry standards. Additionally, the DAF added 60 manpower authorizations to provide Resident Advocates to directly support residents ensuring they have multiple avenues to raise and resolve issues. Resident Advocates report directly to the wing leadership to increase commander awareness of concerns raised by residents. The DAF has also added 11 manpower authorizations for Headquarters DAF, Air Force Civil Engineer Center and our legal staff. Finally, the Department instituted a revised governance structure to review programmatic and systemic issues, best practices, and financial health of the program. The revised governance structure culminates with a council that includes the uniform chain of command and is advised by military housing office professionals.

The DAF also approved a revised performance incentive fee (PIF) framework to increase both the commander and resident voice in assessing earned PIFs. The new performance incentive fees will improve tracking and reporting of maintenance operations at each project. The DAF is in the process of re-negotiating the PIF framework with project owners, reaching agreement with two of the nine project owners that have a PIF as part of their agreements. As part of the DAF's plan to increase transparency and accountability, all the project owners implemented automated work order systems, allowing residents to submit electronic work orders, schedule repairs, and provide satisfaction feedback. Lastly, the DAF centrally contracted for the annual tenant satisfaction survey, coordinating with the Army and Navy to ensure a consistent survey DoD-wide as well as issuing the survey to collect resident input from both privatized and government owned housing.

In spite of these successes, the DAF is working with our MHPI project companies, in coordination with the Office of the Secretary of Defense and the Office of Management and Budget, on restructures for two financially challenged projects in order to address health and life safety, sustainment, and reinvestment needs. There is still more work to accomplish to ensure quality and safe homes for our Airmen, Guardians and their families. Our priority going forward is to remain focused on improved oversight, long-term project health, and sustainment of the housing inventory to provide military families access to safe, quality, affordable, and well-maintained housing communities where they choose to live, and to ensure accountability at all levels within DAF and the MHPI companies to perform our oversight as originally intended at the outset of housing privatization. Our FY 22 request provides funding to ensure our DAF has the staffing and resources they need to ensure that housing privatization projects provide safe, quality, well-maintained housing, and address resident concerns in a timely, transparent, and responsive manner.

#### BASE REALIGNMENT AND CLOSURE (BRAC)

Through the BRAC process the DAF has closed 40 installations and sites and transferred more than 98% of the property back to communities for beneficial use, producing \$2.9 billion in annual savings. Property transfer is complete for 34 former installations, and we expect to complete transfer of fewer than 2,000 acres at the remaining six former installations by 2027.

Our BRAC cleanup program focuses on protecting human health and the environment, projects that transfer acreage and achieve beneficial reuse of property, and investigations and response actions associated with PFAS.

#### CONCLUSION

The DAF's FY 22 budget request supports President Biden's Interim National Security Strategic Guidance and lays out a plan to modernize our military capabilities while taking care of our Airmen, Guardians, and families. It keeps us on the path toward a successful future posture. The I2S continues to guide MILCON and FSRM budget decisions and business practices as we endeavor to deliver ready, resilient installations as cost effectively as possible. The MILCON portion of the FY 22 request prioritizes nuclear enterprise modernization and supports Combatant Commanders, with particular focus on the European and Pacific theaters. The housing request provides the resources needed to sustain and improve the DAF's inventory of government-owned homes and provide oversight of privatized housing project owners. The Department remains committed to overcoming challenges affecting this

portfolio and delivering effective, efficient installation engineering services. The FY 22 President's Budget request ensures that our Airmen, Guardians, and installations are ready to defend American interests now and in the future.

Senator HEINRICH. Thank you, General Berry. We will proceed with questions and use the standard five-minute rounds. Senators will be recognized in the order that they arrived, and I will start by recognizing myself for five minutes.

To either General Evans or General Berry; I mentioned in my opening statement that I am encouraged by the increased request for ERCIP; however, it is my understanding that the demand for funding still exceeds the request. So, for example, there are microgrid projects ready to go at installations across the country, including Kirtland Air Force Base in White Sands Missile Range. Could you talk about the interest in ERCIP from installations and the regions? And if there was additional funding, what would the ability to execute be?

General EVANS. Sir, thank you for the question. We are budgeting \$104 million this year for ERCIP, which is an increase from last year, and we are also in the out years increasing the use of ERCIP. I can get you those numbers. ERCIP is an important program to us, as well as the other third-party contracts that address climate control and environment. But I can get you the numbers for the out years. We are increasing our years, sir.

General BERRY. Yes, sir. As far as the Air Force, so for resilience, you know, we look at it through several different lenses, through energy, through cyber, infrastructure, response when something happens, of course, due to climate. From a resilience perspective, I don't have the exact numbers for the ERCIP, unfortunately for the Air Force. I can certainly take that for the record to get back to you for particular projects that we had in the budget for the 2022 request.

But as you know, and I think as both you and Senator Boozman mentioned, the challenges that we have, right, are the many demands on the portfolio. And so the many things that we try to fit into the top line and the obligation authority that we do have in the Department can't satisfy all the demands that are there.

But it is important to us, we are committed to resilience. We have, as I mentioned in my opening comments with Tyndall and Offutt, many of the projects there in terms of building those facilities and bases back to what we need, not just what was there before, by incorporating resilience, and incorporating all those resilience standards into our design standards, moving forward, for future MILCON, restoration of modernization is very, very important to us.

Senator HEINRICH. Admiral Williamson or General Chiarotti; the fiscal year 2022 ERCIP unfunded requirements list does not include any Navy or Marine Corps projects. Do the four Navy and single Marine Corps projects in the budget request reflect the entirety of ERCIP demand in those services?

Admiral WILLIAMSON. Sir, fiscal year 2022 included \$109 million for nine ERCIP projects. To give you an example of those, one is Great Lakes Illinois, our single training facility, and the other is at Atsugi.

Additionally, one of those projects we took advantage of, not only the resilience that my counterparts talked about but on San Clemente Island, which is very important to our training. We are able to get wind turbines up there, which allowed us to get away from using, diesel generators. It is a very important part of our base master plans, and we validate that through our mission assurance program, by going out looking at the infrastructure of the base, ensuring that it can respond to, you know, any loss of power, and also that we were producing, the most efficient use of the power.

Senator HEINRICH. General Chiarotti, do you want to add to that?

General CHIAROTTI. Sure. Thank you. So from the Marine Corps perspective we have—across our installations we have undertaken an assessment analysis of where we stand with our ability to maintain the resiliency that is needed to operate our core functions. And as I mentioned in my opening statement, some of our installations now are at net-zero, and we are able to generate that utility that is required in order to sustain the functions, and in some cases also sell back utilities. So we find great value across the board. We continue to make those investments, but we are moving at a very deliberate and informed pace through our analysis that is being provided there.

You will see in San Diego, MCRD San Diego where we are pairing up with commercial utilities provider for a long-term power sustainment, independence in that regard. So from the Marine Corps perspective, yes, sir, we were taking max advantage of that. Thank you.

Senator HEINRICH. It is been interesting as we have worked through some of these projects in New Mexico, where we have a microgrid project at Kirtland Air Force Base. You know, we started to realize that we have heavily relied on things like diesel generators which, you know, one out of three times, you try to get them started and they just don't start. And, replacing those with on-grid storage has made quite a difference. So look forward to hearing more.

And, with that, I will recognize our Ranking Member.

Senator BOOZMAN. Thank you. Thank you, Mr. Chairman.

Mr. Cramer, the past couple of years, your office has been working on military construction reform, looking for ways to reduce cost and improve timeliness of delivery by looking at specific key areas of the MILCON process. I did not see any mention of that effort in your written statement. Again, we had a really good visit in the office and talked about these things. So can you just reaffirm what MILCON is thinking about in regard to initiatives that are focusing on producing real change and results for the MILCON program in that regard? Can you share any specific examples of process improvements you have identified and you are working towards from an enterprise-wide approach?

Mr. CRAMER. Thank you, Senator. Yes, so one of the measures we talked about yesterday, as part of our MILCON reform, an effort we started a couple of years ago, we kind of got sidetracked with other more urgent needs, and while we've talked about MILCON reform, and more staff to actually to execute the

MILCON reform so as part of the 2021 NDAA we split back the what was combined into the Assistant Secretary of Defense for Sustainment pulled apart what was usually called ASD for Installation Energy and Environments, and also Environment, Installation and Energy, so that stood up.

And with that, now I have a dedicated deputy assistant secretary to do construction oversight. And so one of those, Mike McAndrew, a long-serving SES and knows exactly what needs to be done in MILCON reform. He was doing housing and MILCON reform up until earlier this year. So now he is back and dedicated, so he's now, in fact, today meeting with representatives from our Design Construction Agents in the Air Force's current facilities, the Civil Engineering Command. And so that is the body of folks that actually then have oversight of the Department's MILCON processes, and it is too long.

And if you look at the frontend in comparison, and if we do it right before we seek budget, and the 35 percent design is kind of the number we settled in on, and to say that is a design sufficiency. But what we really want to go after is the design risk. And then if we're—at the 35 percent there is some risk involved in that design for the unknown, and the installations will go through with the project.

So we want to add into the program amount, a sufficient dollar to overcome those risks, so that we are not coming back and doing reprogramming actions which will take a while to get the process to get it up to you guys to approve.

So we want, in order to get the program amount on those projects to about what we need to overcome the things that we know to be risk at the time of the request. Things like the pandemic and global construction, we can't foresee those, but we can look into, you know, past practices to get better at what is our design risk—so that we are not always seeking reprogramming so that [inaudible].

Senator BOOZMAN. Right.

Mr. CRAMER. So I am trying to avoid that at the frontend of the projects, and really get more design sufficiency and project definition before we get to the [inaudible].

Senator BOOZMAN. All right. Thank you. For one of our Service witnesses, if you will just jump in, this applies to all of you—very quickly. There has been a lot of attention in recent years to the condition, not just housing, but also barracks and dormitories. We have seen multiple stories of barracks and dorms in poor condition, sometimes against the backdrop of low morale, poor command climates, and troubling stories. Most of you addressed this in your written and oral statements, but I would like to address it here.

How are you prioritizing funding for barracks and dorms within the MILCON budget, as well as against other quality of life projects such as child development centers? Yes, sir?

General EVANS. I will go first. Can you hear me, sir?

Senator BOOZMAN. Yes, sir.

General EVANS. All right. Sir, under the G-9 we lead a Quality of Life Task Force for the Army. We have been leading that since about November 2019, and there is six lines of efforts, it is really six priorities that were really based on the Chief of Staff of the

Army's Transition Task Force, where they canvassed the Army, talked to privates, all the way up to generals, talk to civilians, talk to family members. And what came out of that is the number one priority for people, which is our number one priority, is housing. And included to that is barracks.

And I think our budget request reflects that, you will see five barracks projects they are wanting—and also includes a reserve component. With your support the Chief of Staff's fiscal year 2022 UFR list, there is about 13 barracks projects in there. And then the third priority in that was child development center. And you will see four child development center projects in the UFR list, two CDC MILCON projects, and two R&M projects, and you will see the same in our request.

And so that is how we look at it. Our priorities are people, modernization, and readiness, and I think that our budget request and our UFR request reflects that.

Senator BOOZMAN. Good. Thank you, General. Thank you, Mr. Chairman.

Senator HEINRICH. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Admiral Williamson, as you may know, the acting secretary of the Navy recently visited the Portsmouth Naval Shipyard in Kittery, Maine. He was clearly very impressed with what he saw there, the outstanding, talented, highly-skilled employed, we have an excellent captain commanding the shipyard, and the entire Maine delegation, and New Hampshire delegation are strongly supportive of the shipyard.

The Navy's budget requests 250 million for the second increment of the Multi-Mission Dry Dock No. 1 extension project at the Portsmouth Naval Shipyard. The Navy has included as its number one MILCON unfunded priority an additional 225 million that is needed to keep this essential project on schedule. It is vitally important. Beginning of 2024 scheduled Virginia Class maintenance availabilities at the shipyard will exceed its capacity, and failure to complete this project on time will result in 20 deferred availabilities through 2040.

In other words, we need this project completed in time, or we risk our submarines and our sailors being unable to accomplish their mission. Could you discuss the importance of the additional funding to the success of the project? And with this additional funding, number one on your unfunded priority list? Would the Navy be able to eliminate the 20 deferred availabilities so that we can return our submarines and our sailors to the fleet on scheduled so they can perform their important mission?

Admiral WILLIAMSON. Yes, ma'am. First, yesterday the CNO testified, this is a once-in-a-century opportunity. The shipyards play a very vital role. I am familiar with Portsmouth Naval Shipyard, as you know, as a Commander of Navy Region Mid-Atlantic. The shipyards, our dry docks are over 100 years old, the infrastructure that supports is greater than 61 years old. It is vital to support Columbia, and Virginia Class Submarines, particularly for COCOM requirements.

We did have a project that came in over what we expected. I think it was a tremendous opportunity for us to learn, because we

have not done a mega project this size in a very long time. Our leadership has absolutely, with a sense of urgency said, we need to learn quicker, and we will. The raw materials: for example, the impact, the volatility due to COVID driving that up, balancing the maintenance of building a new shipyard while you are doing maintenance to a very complex platform, ensuring that those maintenance availabilities are predictable and on time allows you to maintain that superior workforce that is in Portsmouth.

We are committed to learning from that. We have taken several actions, you know, obviously taking on a task of this size requires great expertise. So we are bringing on cost engineers, and economists, experts to help us. We are also bringing in third-party risk consultants to get better accuracy, and reduce the risk as we move forward. In addition to that, you know, it kind of ties into the resilience conversation we had earlier. You know, the first element of this is a digital twin. We are currently looking at all four of our shipyards. Hawaii is completed. We hope to have the digital twins completed by the end of this year for all of our shipyards, and what that will allow us to do is do an area development plan.

Senator COLLINS. But just to clarify. You stand by the statement that is in the budget materials, that the additional money would eliminate the 20 deferred maintenances?

Admiral WILLIAMSON. Yes, ma'am.

Senator HEINRICH. Admiral, I was just going to say: Can everyone, please, make sure your mics are on, and pull them in nice and tight so that the folks who are watching on the website can hear you.

Admiral WILLIAMSON. Apologize, sir.

Senator HEINRICH. Yes.

Senator COLLINS. Thank you.

General EVANS. I was pleased to see that the Army's budget request includes 21 million for a new Joint Vehicle Maintenance Shop for the Maine National Guard at its Saco location. The existing undersized facility was constructed more than 80 years ago, and it has a host of problems, including insufficient lighting, poor ventilation, fire mitigation and electrical wiring that is not up to code, asbestos in the structure, and there are also force protection issues with the current building. What would be the impact of a delay in replacing this facility on readiness?

General EVANS. Well, ma'am, all the reasons you stated. An antiquated facility, it does not have the room—

Senator HEINRICH. Can you make sure your mic is all the way in because—

General EVANS. Sorry, sir.

Senator HEINRICH. There you go.

General EVANS. All those reasons you stated, along with that being the only vehicle maintenance facility in Bloomington of its kind, it is also a shared facility with the Air National Guard as well as the Army National Guard will have a tremendous impact on the readiness of maintenance on combat and tactical vehicles.

Senator COLLINS. Thank you. Thank you, Mr. Chairman.

Senator HEINRICH. Thank you. I think we are going to start a second round and I believe Senator Tester may be on his way as well.

So I want to ask you Mr. Cramer. This is the first year that DOD has requested funding for electric vehicle infrastructure planning and design, it is critical that the Department commit resources to understand its energy demand needs, and electrical grid capacity, and to build out its electric infrastructure where necessary. Could you discuss how the Department is approaching electrification at installations, in particular to support both the non-tactical and the tactical vehicle fleet?

Mr. CRAMER. Senator, I would start that with—it goes back to—I didn't want to be accused of a spring [inaudible] to the question you answered—or asked earlier about ERCIP, and really the plan starts with our installation energy plans. And so if we have a holistic plan of energy needs on an installation, a subset of that would be the grid. Resilience of the grid, electrification of the grid in order to provide electricity to the point of need, regardless of what that point is; electric vehicles, you know, command facilities.

And then also what we want to do, as part of our installation energy plan, is build in efficiency into those facilities so that we could reduce the demand which then increases the O&M dollars to spread out. And so specifically for electric vehicles and electrification to support, and focused on the non-tactical. We are years away from electrification of a tactical vehicle.

So non-tactical vehicles on an installation, we really have to look at the point of need, and the sufficiency of the grid, so we don't throw, you know, our whole electric system off balance. So we really have to then hire some folks that are experts in the field, which quite frankly, we don't have that muscle memory within our organizations just yet. We may build that, that capacity, but right now we are really gonna rely on some consultants to come back and do an installation. And say: All right, so here is what the grid looks like today. Here is kind of the direction we are going to go. And we are going to make sure that it fits into our overall installation energy plan, and then we use the tools in the toolkit in order to address a lot of that, ERCIP being one of those.

And I think what you will find is, is that while the FY DP for an ERCIP does not look that deep today, as we fill out the installation energy plans across the entire Department of Defense, then that—you know, one to N list does get fairly robust, because the need is there to support resilience on our installations. That is what we are really looking for. How do we continue to operate regardless of the events that take place, and eliminate those single points of failure that exists today in our grid?

Senator HEINRICH. I forgot that. I am following my own advice here. Is the Department integrating electrification requirements into upfront facility design? For example, are you updating the unified facilities' criteria to think about these things so that we are not, down the road, retrofitting expensive land? You know, a lot of what you talked about in your testimony just now, it is not really rocket science. I have been doing this for—I built my first electric vehicle in the early '90s, and I have been driving electric for a few years now. And oftentimes it is cheaper if you plan for it. It is not cheaper if you retrofit.

So, for example, if you have a new office building, or if you have a new housing, and you put in the smallest service panel available

when you build that, if you add additional demand you are going to have to make an expensive upgrade. Whereas, if you put a service panel in that has additional slots in it, it is not a big deal. So are you making the shift to thinking about this into the future, and planning so you are avoiding, you know, expensive upgrades down the road?

Mr. CRAMER. Yes, Senator. We have updated our Unified Facilities Criteria, our version of design codes, and our facilities guides that we give out to—or that our design construction agents use to give out to their architects and engineers. So those guide specs and facility criteria codes have been updated, and then so we are not in the habit of doing is retrofitting buildings for retrofit sake.

You know, we are going to go into a facility that has a need for more than just one single item to correct. We will do that restoration and modernization, and we will put in, you know, all of the latest and greatest at that time of contract. But we have got hundreds of thousands of facilities we have got to get to. And so we are—we are really then, you know, focusing on the retrofit as we go down. And I will let my Service colleagues add on if they want.

Admiral WILLIAMSON. Sir, to address the question specifically. As Mr. Cramer mentioned, as part of our installation development plans, and part of our mission assurance reviews of our bases, it is twofold. UFC standard as we move to look at resiliency moving forward, and this being part of our master plan, we specifically look at the bases with grids, for example, to ensure that when we build back, we build back better.

And that is built with two things in mind. One, of the efficiency of the base, which is a multiplier for us, and two, allows us resilience. I had the great fortune of being the CEO of Naval Base San Diego, had a great partnership with San Diego Gas & Electric, and obviously huge demand signals in that area. But when you have the partnerships with the local energy providers, it is a tremendous opportunity and leverage for us to learn.

So certain times a year in San Diego, Naval Base San Diego is home to 50 more ships, huge energy consumption, we come on to ship's power to allow San Diego the same opportunity they allow us to operate. And so through those partnerships, I think it is tremendous learning, and it is also an operational advantage for us.

Senator HEINRICH. All right. Thank you.

Senator HAGERTY.

Senator HAGERTY. Thank you, Mr. Chairman. I appreciate the opportunity to be here with such distinguished witnesses today, and in particular, a very good friend, General “Chuck” Chiarotti. It is wonderful to see you again, Chuck.

And Chuck, I am going to I am going to direct some questioning to you, if you don't mind. I want to go back and talk about the 2018 National Defense Strategy, and quote from that. “China wants to shape a world consistent with its authoritarian model, gaining veto authority over other nations' economic, diplomatic, and security decisions.” In pursuit of that objective, each day China continues to strengthen its posture in the Indo-Pacific region. It continues to maintain a very real threat to the United States and to our allies. And that is why the U.S. Military posture in the Indo-Pacific region is more important than ever.

As Ambassador to Japan, it was my great honor to work alongside you, General Chiarotti, and such a competent team of United States Military professionals in that region. And we continued to focus our posture to be as effective as we could be every day. So I would like to get your perspective, if you could describe the strategic environment and the Indo-Pacific today, as it stands today, and whether China is continuing to tilt the balance of power in its favor?

General CHIAROTTI. Senator Hagerty, it is good to see you, sir. Sir, I will stay within my lane, and that is within the area of logistics and facilities, and also of the United States Marine Corps. Our commandant has put the Marine Corps on a footing to address the threat that China is. In that regard he has directed a force design, which really seeks to address the growing risks that China has placed on the United States, and as defined by the National Defense Strategy.

To that end, we are, as we always do when faced with a threat, reevaluating our posture to ensure that we are able to provide the Indo-Pacific Commander and the Nation, the responsiveness that the United States Marine Corps is expected to deliver, sir.

Senator HAGERTY. Well, I want to thank you and the many Marines that serve in that region. In my experience with China the past couple of decades, they have increased their military expenditure some eight-fold, and recently they just surpassed the number of ships in their fleet, greater than the U.S. Military's fleet.

Now, of course, our ships are far more capable, and a real force in that region, but as you continue to think about our posture there, do you think of us moving in a more dispersed fashion? Do you think of us hardening our position? How do you see, from a facility standpoint that evolved in, given the breadth of the challenge in that region?

General CHIAROTTI. As you will know, sir, our installations in the Indo-Pacific AOR are located within the first island chain, the majority of those, and so we continually look at the vulnerabilities that are—that we face both from environmental, as well as kinetic threats from our potential adversaries. To that end, the United States Marine Corps is an expeditionary force, and so we see ourselves operating in a very dispersed manner within that first island chain providing that competition deterrent, and the ability to quickly transition from competition to the blunt force, as directed within the National Defense Strategy, sir.

Senator HAGERTY. Well, I want to thank you for everything that you have done in your career and service, Chuck, and I want to let you know that, were it not for the strength that you provide, our diplomacy would not be as effective as it is. So thank you. And thanks to all of our witnesses today.

Mr. Chairman, I yield back. Thank you.

Senator HEINRICH. Thank you.

Senator TESTER.

Senator TESTER. Thank you, Mr. Chairman, Ranking Member Boozman, for having this hearing. I want to thank all the witnesses for being here.

And Senator Hagerty, I look forward to working with you. You laid out the challenges very, very well, both from a military per-

spective, and an infrastructure perspective in this country. So thank you for those statements.

Okay. Last year, the National Guard has been called to respond to COVID-19, domestic unrest, and even to secure where we are at right here today. One of the only major MILCON accounts that saw a significant decrease in the budget request was the Army National Guard MILCON account. We are relying on our National Guard more than ever, and I am concerned that we are going to reward them by asking them to do more with less.

So, General Evans, can you tell us about what kind of risks that we are taking by funding the Army National Guard MILCON at the level that is requested?

General EVANS. Sir, thank you for the question. The MILCON budget, to include the Army National Guard, is based on the Army priorities, people, and readiness, and modernization. I think what you see in Army National Guard MILCON account budget request is addressing those items: barracks, vehicle maintenance, as well as readiness center. You also see a number of projects, with your support, in the Chief of Staff UFR lists for the same barracks, readiness centers, and maintenance, to address exactly what you are talking about, sir, the readiness of the Army National Guard.

Senator TESTER. So, just to follow up very quickly, General Evans, you don't think we are taking any risk by having the National Guard MILCON, funded at this level. Do you think it is adequate?

General EVANS. So I think the Army senior leaders, as they prioritize the MILCON list, considered the risk across all compo, sir. And I think what you have is it addresses the people in readiness and modernization for all compos to include Army National Guard, sir.

Senator TESTER. So this is adequate?

General EVANS. So I would say, with your support, with the chief of staff, the Army's UFR list I think we will continue to make ground on that. As you know, the Army does have an infrastructure backlog, and I think the UFR list, along with what we are doing now, addresses that, and we will continue to address that based on the Army priority, sir.

Senator TESTER. Okay.

General, General Berry, we have got Malmstrom Air Force Base in my backyard, we have got a potential weapons storage facility to be built there as long as well as one in Senator Hoeven's state, in Wyoming. I believe they started on the one in Wyoming. They are supposed to start on the one in Montana soon, I think. It is well funded, but there has been somewhat of a history of kicking the can down the road a bit, and I want to make sure it does not get kicked down the road on the weapons storage facility.

So, to cut to the chase, can you give me a timeframe about when you think, because it is somewhat dependent on Wyoming, when you think they will break ground on the Montana Weapons Storage Facility?

General BERRY. Senator, thanks for the question. So, as you said, you know, as we do the construction, F.E. Warren, we are learning lessons as we go along. There have been some design changes from those lessons we learned at F.E. Warren that we are now incor-

porating into the Weapons Generation Facility at Malmstrom. We are proceeding with the 95 percent design on the Malmstrom Weapons Generation Facility. Right now, talking to our design and construction agent, we believe that we will be ready for a contract award in the spring of 2022.

So once we do contract award, then you can start doing the mobilization, and you can start doing the actual construction at that site. So for now we have the \$120 million first increment for that structure, and that is a very, very complicated facility. We think that is enough money for now to carry us through fiscal year 2022 to get to the more robust design and get us through contract award, sir.

Senator TESTER. So a year from now—actually a little before that—because we are in June now. So spring is, at least in Montana, we are in summer, even though the calendar doesn't state it.

General BERRY. Yes, sir.

Senator TESTER. The contract award will be given?

General BERRY. That at is the current schedule that we are marching to. Yes, sir.

Senator TESTER. And what point in time after that contract award does dirt start being moved?

General BERRY. I can get back to you on the exact timeframe.

Senator TESTER. Typically, how long does it take?

General BERRY. It is months later.

Senator TESTER. Months?

General BERRY. By the time you mobilize the contractor and get them onsite, yes, sir.

Senator TESTER. I appreciate that. And I will probably hold it to it too. So thank you. On privatized—oh, I am out of time. I will submit a question for the record, Mr. Chairman. I just wanted to express my appreciation to all of you for the work you do. Thank you.

Senator HEINRICH. Thank you, Senator Tester.

Senator Hoeven.

Senator HOEVEN. Thank you, Mr. Chairman. I am going to pick up right where Senator Tester left off, no surprise to him. We have common interest, both in the Weapons Generation Facility, and also the MH-139 Facility. And we have worked very hard on those—both of those, including the helicopter, getting the new helicopter out to the ICBM bases. And so he mentioned Malmstrom, and I am going to bring up the Minot Air Force Base.

General Berry, can you update me as to the status for well, let's start with the MH-139 Facility. We appropriated, let's see, \$66 million in 2019, an additional \$5.5 million in 2020 to house that facility. I have been expecting that you all would have had a groundbreaking by now. So can you update me on the status of constructing that facility?

General BERRY. Yes, sir. So it is a similar story to the last question Senator Tester asked. As we put the bids out, the bids came in higher than anticipated, and so our construction agent right now is evaluating those bids to try to see if we can get it more in line with what we expected that project to cost. Since it is, right now, in solicitation, I am hesitant to say anything publicly. I think we

would be more than happy to come talk to you privately about some of the challenges that we are seeing on that MH-139 facility.

We do know that once the Corps of Engineers does award the contract, it will be about a two-year period of performance to actually get the facility completed. But until we can get through the bids, I cannot give you a firm answer on when that construction will actually start.

Senator HOEVEN. Well, then I would ask that you come talk to me privately, so to just know when that is going to be. All right?

General BERRY. Yes.

Senator HOEVEN. Thank you. But then also I want to ask about the Weapons Generation Facility, unlike F.E. Warren, or Malmstrom, we have both the ICBM Ground-Based Nuclear Deterrent, but also the B-52s with their nuclear weapons. So we have been told that we have not been started on the new Weapons Generation Facility because we have—you have to handle both aircraft and missiles, and the others are just the missiles. I understand that. I still want to know where we are at in getting that done. I mean, this is the only dual nuclear base in the country operating with an older facility. So it seems to me it is of great importance. Can you tell me on the timeline there?

General BERRY. Yes. So, Senator, I unfortunately cannot commit to a specific date of when we will get to that Weapons Generation Facility. I think as you alluded to, right, it is very, very complicated, that WGFs themselves are complicated and complex facilities, when you design in all the safety and security standards that come with that weapon system. We are learning lessons at F.E. Warren, we will learn some lessons when we get to Malmstrom. This fiscal year 2022 budget increment one, for the Barksdale Weapons Generation Facilities in there; that is the first bomber WGF that we will design and build as well.

So all of those are giving us an opportunity to learn the lessons that will then come to play at Minot, whereas, you mentioned, we are putting both of these missions together into one facility that makes it even more complex than the other ones. So we think by doing that, we will get a better design, we will get a better cost estimate, and we have a better chance of meeting cost and schedule when we do it that way. But, but right now we have not started the detailed design on that structure.

Senator HOEVEN. But you are also building Weapons Generation Facilities for the new B-21 at Ellsworth and Dyess, I think, and somewhere else. So I keep getting told this, we are going to learn a lot of lessons, but I am quite anxious to understand when we are going to get going on this facility. So maybe that is something we could talk about as well.

General BERRY. Absolutely, sir. We have a plan for the Weapons Generation Facilities as they come online based on mission need for the missions that are going to the various bases. So we will be happy to come talk to you in more detail about the Minot Project.

Senator HOEVEN. This is the only base in the Nation with a dual nuclear mission, performing at a high level strategically important base for ICBMs, and a B-52 deployment that is very, very high for both the Korean Peninsula and the Middle East. High ops tempo, these soldiers are doing—these airmen and women are doing a

whale of a job out of that facility, and it really does deserve the attention.

General BERRY. Sir, we agree with you, with the importance of the mission, and we are committed to replace the weapons storage area with a WGF.

Senator HOEVEN. Thank you. I guess on a positive front, I would tell you from a funding standpoint, it looks to me like we are keeping the new GBSD, Ground-Based Strategic Deterrent, as well as the LRSO on schedule, which has been no small effort on the part of this appropriating committee. So just any thoughts you have there, are incredibly important as far as part of the nuclear triad. We are committed to it. We are working very hard to do that. And I know our chairman here is very committed to the nuclear lab piece, since he has part of that in his state; any thoughts as far as staying on schedule with those?

General BERRY. So the GBSD, I know that we have been very, very grateful to the Congress for giving us some authorizations there that will help us do the very, very complicated, when we are talking about WGFs being complicated, GBSD, where you are essentially going to replace a silo and wait for 8 years, is going to be a very complicated endeavor as well.

So we are very grateful to the authorities we have gotten from Congress. And I think those authorities that we have received at least set us on the path to realizing the goal of staying on cost and on budget for the GBSD transition.

Senator HOEVEN. Thank you, General. Thank you, not only for what you do, as in, to all of you here, gathered. Thank you. We truly appreciate you very much. And thank you for all that you do for us.

Senator HEINRICH. Senator Murkowski?

Senator MURKOWSKI. Thank you, Mr. Chairman. Gentlemen, thank you for being here this morning, for your leadership. I want to talk about housing today.

I had an opportunity just this morning to meet the new incoming, Commander General Eifler. He is going to be taking over for General Andrysiak, who has been doing a great job for us in Alaska. And one of the issues that he and I have shared, just a great deal, quite honestly, of anxiety and stress over is—as what we have seen in the increasing rate of suicide in Alaska, particularly within the Army.

Just really very, very disturbing, and as General Andrysiak has used the term, it is heartbreaking. So we are trying to address these issues, and you are trying to look to what are the contributing factors, what is happening out there? Is it deployments? What is it? And it seems that so much of it comes back to some of the quality of life issues, and in how we are able to support our soldiers, our airmen, our marines, how we are there for them. And housing is kind of a basic thing.

So we want to make sure that we are doing right in all of these spaces. We are really quite pleased that in Alaska we are seeing a plus-up in terms of the military personnel that is coming specifically to Eielson, but also at Fort Wainwright, this is up in the interior of the state, owing to the F-35 bed-down, Eielson is expected to receive 54 jets, an additional 1,300 military personnel, plus their

families, by December of 2021. By 2023, Eielson will receive four more KC-135s, and more than 200 active-duty Air Force personnel, plus their families

We are really excited about it. The Alaska delegation certainly is, but also the communities up north. Those in the Fairbanks North Star Borough where Eielson is located, have been enthusiastic in every sense of the word, but they have also been a little bit concerned about: How do we make sure that we truly are that golden heart community where we not only welcome all of our military and their families, but how do we make sure that they are well cared for?

And so we have a housing issue in the region just more largely, but on-base housing availability at both Eielson Fort Wainwright are about 95 percent capacity that is right now. And to my knowledge, there is no ongoing construction, planned construction, or funding request for the creation of on-base housing. And I think it is important to say, this is what everyone had agreed to.

I am not laying the onus on anybody here, but it was going to be necessary for the community to know that they were not going to make that investment on the private side, build things, and then have Air Force come in, and build housing that would put the investments on the private side at risk. We have been down that road before, and the community was not at all interested in doing that.

So what we are trying to do is make this work for everyone. Nearly all of these incoming personnel are going to live in the community. And, and again, right now we have got housing issues within the community at large, in addition to the number of units, there has been a recent housing assessment that found that 36 percent of households are cost-burdened, meaning more that they—meaning that they spend more than 30 percent of their income on housing. And this is due to a number of factors.

It is called climate, it is aging homes, it is more expensive. So that is a long question. I spent five minutes outlining this which I shouldn't have, because I need your input here.

And Mr. Cramer, this is probably for you. But General Berry, General Evans I would certainly welcome your input on this. What is happening within DOD, notably, the Air Force and the Army to partner with the community, to identify, and implement solutions, to make sure that we are getting airmen and their families into these homes and at an affordable rate? So that is a very broad question to you, but know that we are very, very concerned that the timing on all this matches the incoming number of personnel.

So Mr. Cramer, it looks like you are ready to go.

Mr. CRAMER. Yes, Senator. I will start it off, yes. So having served in the Army as a deputy assistant secretary for a number of years, I am very familiar with the housing program in the North Star Borough, both at Eielson and at Fort Wainwright. Capacity issue is definitely a challenge, especially in the larger homes where we see a lot of the military families have more kids. And so in the two-bedroom, three-bedroom, there is a good inventory; but four or five bedrooms, there is not.

Senator MURKOWSKI. Right.

Mr. CRAMER. And so with the Army, has kept online Birchwood family housing, even though it was—it far exceeded both in-leased and the out-leased for that project, so we have kept it online just because it had the larger homes. And have partnered with the community to try to, you know, entice development of housing off-post, because in the Department of Defense, our priority is still community first, housing, and not on-base housing.

So to the extent we give assurances to the local construction housing developers we are willing to do that, so that they can spur some construction on. And, Senator I am concerned about the 30 percent—36 percent house burden number that you cited, because that, if it is military folks, you know, we can do better in our base allowance for housing surveys that we do annually to set the rates.

Because what we don't want to do is burden our soldiers and airmen in having to spend more on a house, because then it comes directly out of the rest of their household budget, you know, and we are very concerned about. Because that leads to what you started this conversation on.

And I will turn it over to General Berry and General Evans.

General BERRY. Senator, I think Mr. Cramer hit, hit all the points that I would have hit. I know that we are tracking the concern. We are talking to the local leadership there so we can really understand the details behind it. So then we know how we can come in and help them, as required. But we are tracking it. We continue to work with the local community to try and find some creative solutions.

Senator MURKOWSKI. Know that we appreciate that. We will look forward to partnering very closely with you as the months, proceed here. I will share just one, one factor that I picked up at a roundtable that I did with military spouses a couple of years ago, when we were talking about based-housing allowance, and a recognition that Fairbanks, in the area you have many homes that are not on city water.

So there is an additional fee to have your septic pump. There is an additional fee for water delivery. And those are not at least at the time—were not incorporated as part of that allowance. So things like that, that we can look to, creatively, I think help with these financial stressors.

Thank you, Mr. Chairman.

Senator BOOZMAN. Thank you. Senator Heinrich is like the rest of us, we have all got three, three of these going on that are so important with such really important witnesses like yourself, talking about some really important topics that are going on. But I would like to just ask a real quick question, because I think it is important. A follow-up on Senator Hagerty, and maybe a couple of the other Service witnesses can jump in.

The request that we have does not include investments in Pacific deterrents and issues that we were expecting to see. While the President's budget includes 5.1 billion in funding to support the effort, none of it is for MILCON. What is your role in the PDI funding process? Does the PDI tagged MILCON go through traditional MILCON decisionmaking processes? Or are we treating it differently somehow? We will end on an easy question.

Mr. CRAMER. I will, Senator.

Senator BOOZMAN. But it is a very important question.

Mr. CRAMER. It is a very important question, and so it goes back to our earlier discussion about project development of MILCON projects. And so we have sat through some classified briefings to understand, you know, where we intend to go with PDI? And I will just tell you that I think we are still early to need on developing those projects within a budget year. And what we don't want to do is get so far ahead of our headlights that we identify projects in a specific country that we don't have necessarily an agreement with to do any construction, and then it languishes for a number of years. We have learned that lesson in the not so recent past in, in Europe.

So we want to get all those stars aligned, get the project defined, get the host nation agreements, and then go forward with those projects, but it is in the works.

Senator BOOZMAN. No, we appreciate that, and that is very reassuring. Again, thank you all for being here today. We appreciate you for taking the time to, again, talk about this very important subject.

Also for the senators participating in today's hearing, I look forward to working closely with you to address the Military construction and family housing needs facing us. And I say that on behalf of the entire committee.

Finally, we will keep the hearing open for a week. Committee members who would like to submit written questions for the record should do so by 5:00 p.m., Wednesday, June the 23rd. We appreciate the Department responding to them in a reasonable period of time.

#### SUBCOMMITTEE RECESS

Senator BOOZMAN. And with that, we stand adjourned.

[Whereupon, at 11:16 a.m., Wednesday, June 16, the subcommittee was recessed, to reconvene at a time subject to the call of the Chair.]

**MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2022**

WEDNESDAY, JUNE 23, 2021

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 10:00 a.m. in room SD-138, Dirksen Senate Office Building, Hon. Martin Heinrich, chairman of the subcommittee, presiding.

Present: Senators Heinrich, Schatz, Tester, Baldwin, Boozman, and Hoeven.

DEPARTMENT OF VETERANS AFFAIRS

STATEMENT OF HON. DENIS R. MCDONOUGH, SECRETARY OF VETERANS AFFAIRS

OPENING STATEMENT OF SENATOR MARTIN HEINRICH

Senator HEINRICH. This hearing of the Military Construction, Veterans Affairs, and Related Agencies Appropriation Subcommittee is now called order.

Today, we are going to be discussing the Department of Veterans Affairs' fiscal year 2022 Budget and fiscal year 2023 Advanced Appropriations Requests. Veterans deserve more than just words of gratitude for their sacrifice when they return home. They deserve the quality care and benefits that they have earned. This budget strives to do that and requests a mandatory appropriation of \$153 billion, and a discretionary appropriation of \$113 billion. That is an 8.2 percent increase over fiscal year 2021.

It also requests 156 billion mandatory advanced appropriation, as well as 111 billion discretionary advanced appropriation just to support its medical programs in fiscal year 2023. The cost of medical care continues to grow, and there are a lot of issues that we want to discuss this morning.

We understand that VA's budget request is a bit complicated this year. The Department's request reflects the direct and indirect costs of the pandemic, including addressing the increases in the disability claims backlog, as well as the provision of deferred care, and increased mental health services. Funding provided in the Families First Act, the CARES Act, and the American Rescue Plan demonstrate congressional support for veterans during this challenging time, and much of the funding remains available for use in fiscal year 2022.

In addition, this is the first year VA is allowed to use flexibility provided by Congress in the Recurring Expenses Transformational Fund, and VA plans to use \$820 million of expired funds to support information technology and minor construction projects. While this is a robust request, especially considering all of the additional funding recently provided to the Department, VA must have what is necessary to respond to veteran demand.

VA's requests for fiscal year 2023 shows a decrease in this program without supplemental funding. I hope that the need has subsided by then, but VA must plan effectively to avoid service cliffs relative to demand in these programs.

This budget was developed prior to your undertaking a strategic review of the Electronic Health Record Modernization Program. We look forward to receiving more information on the results of the review, how the findings will affect the remainder of VA's ten-year plan, and how VHA's infrastructure costs will be incorporated into the total cost of the effort. The budget reflects VA's need to invest in physical infrastructure. As veterans come back to receive care at the VA, they deserve to be treated in facilities that are up to date and modernized. This year VA is planning to invest in its infrastructure through base funding, the Transformational Fund, and the American Rescue Plan funding.

I look forward to working together to provide veterans with the services and the benefits that they have earned and deserve.

And with that, I would recognize the Ranking Member for his opening statements.

#### STATEMENT OF SENATOR JOHN BOOZMAN

Senator BOOZMAN. Thank you, Mr. Chairman. And thank you, Mr. Secretary, for being here to discuss the Veteran's Affairs fiscal year 2022 and 2023 budget request. The budget request of \$271 billion in fiscal year 2022 for the Department of Veterans Affairs, including medical care, collections, and the new Transformation Fund, represents a 10.4 percent increase over fiscal year 2021 enacted levels.

This includes \$118 billion in discretionary funds, a 10.4 billion or 9.7 percent increase over fiscal year 2021. The budget also requests a total of \$272 billion in advanced appropriations for fiscal year 2023. The large fiscal year 2022 increase highlights the continued importance of programs for veterans. It also reflects the continued growth and popularity of the Veterans Community Care Program, which consolidated multiple community care programs through the MISSION Act.

In fact, in this request the only dollars requested as part of the second bite to supplement last year's advance appropriations are for community care. Members of the subcommittee remain committed to providing VA with the resources needed to care for our veterans. However, continued growth of 8, 9 and 10 percent gets really difficult, and probably is unsustainable.

Mr. Secretary, we need to work together to make certain we are prioritizing resources where they need to go, and to make sure Congress does not mandate costly initiatives without thoroughly considering the associated cost implications. Over the last year VA

received roughly \$37 billion in emergency funding to address COVID.

I have to say that, overall, VA performed admirably throughout the crisis, and deserves praise and recognition for that. There is no doubt that most of these funds were absolutely necessary, and the obligation reports for the CARES Act funding demonstrates this. I had the opportunity to be in a number of facilities during that time, and again, the Department, all of those on the frontlines, and just all of the different areas really do deserve a big pat on the back.

I hope to hear more about the future needs of the VA, especially after this large influx of emergency dollars; we don't want to find ourselves in a situation where CARES and the American Rescue Plan have reset the baseline for VA spending.

The budget requests \$2.6 billion for electronic health modernization, and many of us on this committee have long advocated for single, joint medical record that will follow a service member throughout their careers in the military and into their time as a veteran. We understand that this strategic review is nearing completion and we look forward to hearing the new path forward for the program. In particular, we look forward to receiving a revised deployment schedule as directed in last year's Omnibus.

In addition to updates on those programs, we look forward to hearing details about the Department's request for mental health services, including efforts to combat opioid use disorder, and prevent veteran suicide. These initiatives to prevent veterans' homelessness also are very, very important, and efforts to improve care for our rural veterans, including through the greatly expanded telehealth program which, again, we can be so proud that the VA has been a leader.

We look forward to discussing these and other issues this morning. And with that, I yield back, Mr. Chairman.

Senator HEINRICH. Well, I want to thank our witnesses for participating today. We have Secretary of Veterans Affairs Denis McDonough; and Assistant Secretary for Management and Chief Financial Officer, Jon Rychalski.

Did I get that right, sir?

Mr. RYCHALSKI. That is correct.

Senator HEINRICH. Great, fantastic. We are going to start with questions, and I will recognize myself for five minutes first and then head to the—I apologize.

With that, we will go to each of you for your opening statement.

#### SUMMARY STATEMENT OF HON. DENIS MCDONOUGH

Secretary MCDONOUGH. Thank you, Mr. Chairman, very much.

Let me start by just offering my deep condolences to the family of Senator Warner, who will be laid to rest today, a Navy and Marine Corps vet of World War II and Korea, Secretary of the Navy for 30 years, and an outstanding senator. He was a true patriot, an iconic statesman, who always did what he felt was right for his constituents and for America. We will, obviously, all miss him.

Chairman Heinrich, Ranking Member Boozman, Senators Schatz and Tester, thank you for the opportunity to testify today in support of the President's fiscal year 2022 and fiscal year 2023 Budget

Request, and for your steadfast support for veterans; I am accompanied today, as the chairman just said, by our assistant Secretary for Management and Chief Financial Officer, and proud Montanan, Jon Rychalski. Let me also acknowledge the Veteran Service Organizations, and our union partners, all of whom make us a stronger agency.

Some good news: First, we have taken steps to reduce the backlog log of claims caused by the pandemic. We ramped up scanning efforts to digitize Federal records for claims processing, and temporarily assigned VA personnel to the National Personnel Records Center to pull records for claims processing. Now most of VA's requests for records are answered in two to three days. The number of pending VA-related record requests has dropped by 90 percent to pre-pandemic levels.

Second, VBA rated our one-millionth veteran disability claim two weeks ago, hitting this important milestone faster than in all but 1 year in VA history, notwithstanding the challenge posed by COVID.

Third, VA has now vaccinated 3.4 million people with at least one dose, including veterans, family members, caregivers, employees, and members of other Federal agencies.

Last, and most importantly, on May 24th, just a month ago, there were no, that is to say no COVID-related deaths in any VA facility for the first time in 448 days, since March 18, 2020.

These positive outcomes are a direct result of two factors: resources, which you have been critical in providing, and caring, compassionate people. Let me tell you about one such outcome. At the height of the pandemic Marine Veteran, Michael Novielli, developed fatigue, aches, and a fever. He never, "Felt this sick in his whole life," and his diagnosis was exactly what he feared. Like millions of other Americans, he had contracted COVID-19.

After four days at Northport VA Medical Center, Michael was well enough to be discharged, but we placed him on our VA telehealth program to monitor his symptoms. That decision likely saved his life. He shared his temperature, oxygen levels, and heart rate every day for two weeks via telehealth. Then his VA nurse, Marjorie Rogers, noticed something unusual in his heart rate. She called him and told him to go to the emergency room immediately, where he was diagnosed with pneumonia, admitted—and admitted for another two weeks.

"Marjorie saved my life," he said. "If I wasn't on telehealth, I would have stayed home with pneumonia." And Michael would be the first to tell you that that would have been, or could have been disastrous. Now that is the kind of experience every single veteran deserves at VA. VA people are the ones who cared for Michael, they are the ones who risked their lives to serve veterans during the pandemic, and they are the ones who made zero COVID deaths on May 24th possible.

But VA employees will also tell you that their life-saving work is not possible without the resources they need; that is why this budget request is critical. The fiscal year 2022 budget request will ensure VA can provide care and services to veterans, their families, caregivers, and survivors, and to other Americans such as the 488 non-veterans treated at VA facilities as pandemic-related humani-

tarian missions, including citizens from Arkansas, Arizona, and Texas, among others.

These resources will be put to good use, empowering our Department to fulfill President Biden's charter for me to fight like hell for our vets. The budget ensures we can continue the growth and success of our Caregiver Support Program by fully integrating families and caregivers into the care plans of the veterans they love, continuing to implement MISSION Act expansion of our Program of Comprehensive Assistance to all generations of eligible veterans, and supporting the power—the training of over 1,900 field-based staff.

The budget provides needed funding for women veterans. The number of women using VA health care has more than tripled since 2001. And this budget funds recruiting and hiring for women's health care providers, improving access to reproductive health services, and emergency services. The budget allows us to continue our success in reducing veteran's homelessness, building on the success of the last decade during which we decreased veteran homelessness by 50 percent. And this budget allows us to provide strong, sustainable, high quality direct care to our veterans at a time when they need it most.

Community care, as Senator Boozman said, and direct care are both important, and care in both contexts is rising dramatically as the pandemic ebbs, and veterans returned to VA for care. And while both are growing, care in the community is rising at a faster rate than direct care. Veterans need deserve a thriving direct care system for generations to come, because it provides high quality, evidence-based, integrated care tailored to their unique needs.

Beyond that, our Nation depends on the research, innovation, and medical education components of VA direct care. As well as an effective backstop to our country's health care system, VA's Fourth Mission has been critically important during this pandemic, as well as multiple other national disasters.

That is not all these budget resources will do: they will fund mental health and suicide prevention initiatives, address major deficits in construction, physical information technology infrastructure, continue our electronic health record modernization, address issues of veterans environmental exposures, and continue to ensure VA is always a place where diversity is—diversity, equity, and inclusion are valued and sought.

In short, this proposed budget allows us to deliver high-quality whole health care and benefits to our veterans, and it does so, in large part, by enabling the work of great people, like those who cared for Michael Novielli. I commit to using these appropriated resources responsibly and transparently in close consultation with you, and getting greatest value out of every dollar.

Mr. Chairman, Ranking Member Boozman, other members of the committee, I thank you for the opportunity to appear before you today. And I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF HON. DENIS McDONOUGH

Chairman Heinrich, Senator Boozman, and distinguished Members of the Subcommittee. Thank you for the opportunity to testify today in support of the President's Fiscal Year 2022 Budget and Fiscal Year 2023 Advance Appropriations Re-

quest for the Department of Veterans Affairs (VA), and for your longstanding support of Veterans and their families. I am accompanied by Mr. Jon Rychalski, Assistant Secretary for Management and Chief Financial Officer.

President Biden defined our country's most sacred obligation as preparing and equipping the troops we send into harm's way and then caring for them and their families when they return. It is the honor of my lifetime to join the dedicated, highly skilled professionals who constitute the VA workforce—many of them Veterans themselves. VA employees are committed to serving Veterans, their families, caregivers and survivors. The President's FY 2022 Budget Request reflects this commitment. This budget request will ensure VA is moving swiftly and smartly into the future, with much-needed monetary investments in our most successful and vital programs. This Budget ensures all Veterans, including women Veterans, Veterans of color, and LGBTQ+ Veterans, receive the care and benefits they have earned and prioritizes Veteran homelessness, suicide prevention outreach and caregiver support.

VA faces critical challenges, many of them made even more complex by the COVID-19 pandemic. Getting our Veterans through this pandemic continues to be one of our department's highest priorities. As our country re-opens after 14 months of closures and necessary restrictions on some activities, all of us at VA remain focused on the robust clinical response to COVID-19. Our efforts include expanding COVID-19 vaccinations; ensuring Veterans stay connected to longitudinal care through telehealth and in person care where necessary; keeping employees safe; and, planning how to address the pandemic's future impacts on Veterans and our workforce in the health care, benefits and cemetery systems. VA has demonstrated resiliency through this crisis by providing continuous services in line with national policy, and we continue to update our safety guidelines in accordance with Centers for Disease Control and Prevention (CDC) guidance. We encourage every Veteran to be vaccinated as soon as possible. That is why we thank Congress for providing additional authorities and we have expanded our efforts to include vaccinations for all Veterans, regardless of whether they are enrolled or eligible to enroll in VA health care, for Veterans' spouses, and for Veterans' caregivers, and, most recently, for some 12- to 17-year-olds, including those serving as Veteran caregivers and those who qualify as beneficiaries under VA's Civilian Health and Medical Program.

As of June 11, VA has fully vaccinated more than 3 million Veterans, family members, caregivers, employees, and federal partners. We are seeing the positive results of those efforts. I am honored and delighted to report that VA recorded zero deaths from COVID-19 in our facilities on May 24 for the first time in more than a year. That is a critically important indicator of significant progress in fighting this pandemic. As we prepared for Memorial Day, a time of special significance for us and our Veteran communities, we followed CDC guidance and relaxed restrictions at our National Cemeteries which allowed us to remember our fallen heroes in person again this year.

We are seeking input from VA employees about how we can safely and confidently bring our teams back to work in a manner consistent with CDC guidance and data-driven facts. We look forward to our continued return to normal operations, while recognizing that this pandemic has had an impact on every aspect of daily life for Veterans, their families, and all Americans.

#### FISCAL YEAR 2022 BUDGET AND 2023 ADVANCE APPROPRIATIONS

The President's FY 2022 Budget Request includes \$269.9 billion (with medical collections), a 10.0% increase above 2021. This includes a discretionary budget request of \$117.2 billion (with medical collections). The request includes \$101.5 billion (with collections) for VA medical care, \$8.7 billion or 9.4% above the 2021 enacted level. The 2022 mandatory funding request totals \$152.7 billion, an increase of \$14.9 billion or 10.8% above 2021. This funding is in addition to the substantial resources provided in the American Rescue Plan Act of 2021.

The 2023 Medical Care Advance Appropriations Request includes a discretionary funding request of \$115.5 billion (with medical care collections). The 2023 mandatory Advance Appropriations request is \$156.6 billion for Veterans benefits programs (Compensation and Pensions, Readjustment Benefits, and Veterans Insurance and Indemnities).

#### STRATEGIC FOCUS

To fulfill our country's most sacred obligation, every decision I make will be determined by whether it increases Veterans' access to care and benefits and improves outcomes for them. I will work tirelessly to rebuild trust and restore VA as the pre-

mier agency for ensuring the well-being of America's Veterans through a persistent focus on the three core responsibilities of the Department:

1. Providing our Veterans with timely world-class health care;
2. Ensuring our Veterans and their families have timely access to their benefits; and
3. Honoring our Veterans with their final resting place and lasting tributes to their service.

Under my leadership, the Department will make it a priority to implement management reforms to improve accountability and ensure Veterans receive the care and benefits they have earned. In addition to the funding for medical care, this Budget includes \$3.4 billion for the General Operating Expenses—Veterans Benefits Administration (VBA) account, including funds to hire 429 new disability compensation claims processors, and \$394 million for the National Cemetery Administration (NCA). The Budget fully funds operation of the largest integrated health care system in the United States, with over 9.2 million enrolled Veterans, provides disability compensation benefits to nearly 6 million Veterans and their survivors and administers pension benefits for over 350,000 Veterans and their survivors.

In addition to focusing on these three core responsibilities, President Biden also tasked me with:

1. Getting our Veterans through this COVID-19 pandemic;
2. Helping our Veterans build civilian lives of opportunity with the education and jobs worthy of their skills and talents;
3. Ensuring VA welcomes all our Veterans, including women Veterans, Veterans of color, and LGBTQ+ Veterans; and Diversity, Equity and Inclusion are woven into the fabric of the Department;
4. Working to eliminate Veteran homelessness and prevent suicide; and
5. Keeping faith with our families and caregivers.

#### Key Challenges:

As VA addresses the numerous challenges brought on or exacerbated by the COVID-19 pandemic, we also will need to tackle other longstanding issues that are essential to the Department's ability to sustainably and effectively execute its mission, including (1) establishing the right balance of direct care and purchased care, (2) delivering timely access to high-quality mental health care, including substance use disorder care, and preventing Veteran suicide, (3) increasing support to families and caregivers, (4) increasing support for the growing number of women Veterans who utilize VA services, (5) providing a whole of government solution to drive progress to eliminate Veteran homelessness, (6) improving support for transitioning servicemembers through improvements to the Transition Assistance Program (TAP), education and job training programs, and (7) addressing an aging medical infrastructure.

#### ESTABLISHING THE RIGHT BALANCE OF VA AND COMMUNITY CARE

Providing Veterans with timely access to high quality health care is essential. VA remains committed to a strong, thriving direct VA health care system, augmented by a robust and high-quality community care network. We will continue to expand access, innovate, and leverage our research and education missions to push the boundaries of what is possible in serving our Nation's Veterans. In short, we will lead—empowering each Veteran with the confidence that their trusted system will lead with sustained excellence on their behalf and on behalf of future generations of Veterans. For the Veterans listening today: VA is here as a welcoming, steady force ready to help you grow your health and well-being with the excellence you expect from us.

#### ACCESS TO MENTAL HEALTH AND SUICIDE PREVENTION

VA has made suicide prevention a top clinical priority and is implementing a comprehensive public health approach to reach all Veterans. The 2022 Budget Request includes \$598 million, nearly \$287 million above the 2021 enacted level, for existing programs dedicated to suicide prevention outreach and related activities, including funding to increase the capacity of the Veterans Crisis Line. Funding for mental health in total grows to \$13.5 billion in 2022, up from \$12.0 billion in 2021. Our commitment to a proactive, Veteran-centered Whole Health approach is integral to our mental health care efforts and includes online and telehealth access strategies. Whole Health can help Veterans reconnect with their mission and purpose in life as part of our comprehensive approach to reducing risk. Suicide is a complex issue

with no single cause. Maintaining the integrity of VA's mental health care system is vitally important, but it is not enough. We know some Veterans may not receive any health care services from VA, which highlights VA alone cannot end Veteran suicide. This requires a nationwide effort.

VA developed the National Strategy for Preventing Veteran Suicide (2018),<sup>1</sup> which laid the foundation for VA's approach to suicide. This national vision for preventing Veteran suicide is grounded in three major tenets in which we firmly believe: (1) suicide is preventable, (2) suicide requires a public health approach, combining community-based and clinical approaches and (3) everyone has a role to play in suicide prevention. While the development of the National Strategy was groundbreaking in defining the vision of reaching and serving Veterans within and outside Veterans Health Administration (VHA) clinical care, VA moved to translate the vision of the 10-year National Strategy into operational plans of actions in: Suicide Prevention 2.0 (SP 2.0) combined with the Suicide Prevention Now initiative.

My promise to Veterans remains the same: (1) to promote, preserve and restore Veterans' health and well-being, (2) to empower and equip them to achieve their life goals using a whole health approach and (3) to provide state-of-the-art clinical treatments. We will continue to invest and share resources with community organizations in the fight against Veteran suicide. We understand Veterans possess unique characteristics and experiences related to their military service that may increase their risk of suicide. Additionally, Veterans also tend to possess skills and protective factors, like resilience and a strong sense of belonging to a group.

#### SUPPORTING CAREGIVERS

The 2022 request includes \$1.4 billion, an increase of \$350 million above 2021, in funding dedicated to the Caregiver Support Program (CSP). The CSP empowers caregivers to provide care and support to Veterans with a wide range of resources through the Program of General Caregiver Support Services (PGCSS) and the Program of Comprehensive Assistance for Family Caregivers (PCAFC). As a result of the John S. McCain III, Daniel Akaka, and Samuel R. Johnson VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018, or the VA MISSION Act of 2018, VA began a major expansion of PCAFC.

PCAFC expansion rolls out in two phases. The first phase, which began on October 1, 2020, expands PCAFC eligibility to include eligible Veterans who incurred or aggravated a serious injury in the line of duty on or before May 7, 1975. Effective October 1, 2022, the second phase will expand PCAFC eligibility to include eligible Veterans who incurred or aggravated a serious injury in the line of duty between May 7, 1975, and September 11, 2001.

Expansion of this Program was contingent upon the implementation and certification of the new IT system, Caregiver Record Management Application (CARMA). CARMA automates manual processes and integrates with other VA systems, increasing efficiencies and effectiveness, and allowing for more effective monitoring and management of the program for caregivers and VA staff.

CARMA supports consistency through systematic calculations of monthly stipend payments and provides a mechanism for CARMA users to identify upcoming reassessments of PCAFC participants, among other key functions. A new digital version of VA FORM 10-10CG allows online PCAFC applications.

VA also expedited the hiring of key staff with clinical qualifications and organizational skills to support program needs, provide a strong infrastructure and standardize application processing and adjudication, ensuring consistent eligibility decision-making. The expansion funded by this request will support providing training and education to over 1,900 field-based staff dedicated to the caregiver program. CSP has already expanded to approximately 1,800 staff. These changes will help ensure Veterans and caregivers receive timely, accurate assessments and eligibility determinations, as well as an improved customer experience.

#### IMPROVING SUPPORT FOR WOMEN VETERANS

As the number of women Veterans enrolling in VA health care continues to increase, VA must be prepared to meet their needs. Women make up 16.5% of today's Active Duty military forces and 19% of National Guard and Reserves. Based on the trend, the expected number of women Veterans using VA health care will rise rapidly. More women are choosing VA for their health care than ever before, with women accounting for over 30% of the increase in Veterans enrolled over the past

<sup>1</sup>Department of Veterans Affairs (2018). National Strategy for Preventing Veteran Suicide. Washington, DC. Available at [https://www.mentalhealth.va.gov/suicide\\_prevention/docs/Office-of-Mental-Health-and-Suicide-Prevention-National-Strategy-for-Preventing-Veterans-Suicide.pdf](https://www.mentalhealth.va.gov/suicide_prevention/docs/Office-of-Mental-Health-and-Suicide-Prevention-National-Strategy-for-Preventing-Veterans-Suicide.pdf).

5 years. The number of women Veterans using VA health care services has more than tripled since 2001, growing from 159,810 to more than 550,000 today. To support the growing number of women Veterans, VA will increase total planned obligations from all funding sources for gender-specific care from \$630 million in 2021 to \$706 million in 2022, an increase of \$76 million, or 12%.

To address the needs of the growing number of women Veterans who are eligible for VA health care, VA is strategically enhancing services and access for women Veterans by hiring women's health personnel nationally to fill any gaps in capacity to provide gender specific care—this includes hiring primary care providers, gynecologists, mental health care providers and care coordinators across all VISNS so that VA is able to fulfill the mission of caring for those we serve. Funds also are available for programs such as pelvic floor physical therapy or lactation support. These efforts will be sustained by the 2022 request, which includes \$105 million for the Office of Women's Health.

Each of the 171 VA medical centers across the United States now has a full-time Women Veterans Program Manager tasked with advocating for the health care needs of women Veterans. Mini residencies in women's health with didactic and practicum components have been implemented to enhance clinician proficiency. Since 2008, more than 7,600 health care providers and nurses have been trained in the local and national mini-residency programs and even more have participated in monthly webinars and Talent Management System (TMS) trainings, not only developing women's health experts, but also enhancing competency of all clinicians across the system.

Under a new collaboration with the Office of Rural Health, we established a pathway for accelerating access to women's health training for rural primary care providers. VHA actively recruits providers with experience in women's health care to join its care team. VHA has launched numerous initiatives to improve access to state-of-the-art reproductive health services, mental health services and emergency services for women Veterans, as well as focusing on enhancing care coordination through technological innovations such as registries and mobile applications.

To provide the highest quality of care to women Veterans, VA offers women Veterans trained and experienced designated Women's Health Primary Care Providers (WH-PCP). National VA satisfaction and quality data indicate women who are assigned to WH-PCPs have higher satisfaction and higher quality of gender specific care than those assigned to other providers. Importantly, we also find women assigned to WH-PCPs are twice as likely to choose to stay in VA health care over time. Designated WH-PCPs are available across all VA Health Care Systems, and VA is actively recruiting additional new providers with even more enhanced proficiency in women's health care. VA provides full services to meet specific needs of women Veterans, such as gynecology, maternity care, infertility services, reproductive mental health services and military sexual trauma assistance.

#### ELIMINATING VETERAN HOMELESSNESS

VA remains committed to ending Veteran homelessness. The 2022 Budget Request includes \$2.2 billion for Veteran homelessness programs, an increase of 8.4% over the 2021 enacted level (base funding only). In addition, VA will obligate \$486 million in ARP funding in 2022, for a total of \$2.6 billion dedicated to reducing Veteran homelessness in 2022. The goal is to ensure every Veteran has permanent, sustainable housing with access to high-quality health care and other supportive services to prevent Veteran homelessness. VA has partnered closely with other Federal agencies and with State and local programs across the country to:

- Identify all Veterans experiencing homelessness;
- Provide shelter immediately to any Veteran experiencing unsheltered homelessness;
- Provide service-intensive transitional housing to Veterans who prefer and choose such a program;
- Move Veterans swiftly into permanent housing; and
- Have resources, plans, partnerships and system capacity in place should any Veteran become homeless or be at risk of homelessness.

VA has made significant progress to prevent and end Veteran homelessness. The number of Veterans experiencing homelessness in the United States has declined by nearly half since 2010. On any given night in January 2020, an estimated 37,252 Veterans were experiencing homelessness. Since 2010, over 850,000 Veterans and their family members have been permanently housed or prevented from becoming homeless. Efforts to end Veteran homelessness have resulted in an expansion of

services available to permanently house homeless Veterans and the implementation of new programs aimed at prevention, including low-threshold care/engagement strategies and monitoring homeless outcomes. VA offers a wide array of interventions designed to find Veterans experiencing homelessness, engage them in services, find pathways to permanent housing and prevent homelessness from reoccurring.

#### ECONOMIC OPPORTUNITY

As an overall group, Veterans fare better economically than the average American. However, Veterans and their spouses still face economic challenges. Helping Veterans build civilian lives of opportunity with the education and jobs worthy of their skills and talents is a critical priority. The budget request supports this commitment by making key investments in VBA, including an increase of \$81.5 million to support the Digital GI Bill Modernization effort, as well as an increase of \$5 million for the Veterans' Clean Energy Job Training program in conjunction with the Department of Labor, and \$3.6 million for the VA Disability Employment Pilot Project to assist Veterans with service-connected disabilities seeking employment opportunities.

VA military-to-civilian transition programs are designed to give transitioning Service members the best possible start to their post-military lives. The VA Benefits and Services course, as part of the interagency Transition Assistance Program (TAP), helps Service members and their spouses understand how to access the VA benefits and services they have earned. VA TAP provides resources and tools Service members need to achieve emotional and physical health, attain economic stability in civilian life and become career ready. Although TAP has evolved significantly over the years, we continue to assess its effectiveness and evolve where appropriate to promote meaningful and economically enriching lives for Veterans and their families.

#### ADDRESSING AN AGING INFRASTRUCTURE

The 2022 request includes \$2.2 billion, a 26.8% increase over 2021, for Major and Minor Construction. The Major Construction request includes funding for 12 medical facility and two cemetery expansion projects. Additionally, the President requests \$18 billion in mandatory funding in the American Jobs Plan (AJP) to modernize VA health care facilities with \$3 billion to address immediate infrastructure needs within VA health care facilities and the remaining \$15 billion to fully modernize or replace outdated medical centers with state-of-the-art facilities. We look forward to working with Congress to achieve our shared goal of addressing VA's aging infrastructure.

VA operates the largest integrated health care, member benefits and cemetery system in the Nation, with more than 1,700 hospitals, clinics and other health care facilities; a variety of benefits and service locations; and national cemeteries. The VA infrastructure portfolio consists of approximately 184 million owned and leased square feet—one of the largest in the Federal Government. The median age of U.S. private sector hospitals is 11 years; however, the median age of VA's portfolio is 58 years, with 69% of VA hospitals over the age of 50. With aging infrastructure comes operational disruption, risk and cost. VA estimates that between \$49 and \$59 billion in short- and medium-term investments will be needed to maintain our infrastructure using our annual Strategic Capital Investment Planning process. However, any effort to fully address the aging infrastructure portfolio needs would likely far exceed those estimates and occur over a significant timeline.

VA's market assessments have been on-going for nearly two years, allowing VA to gain significant insights into trends and needs in the VA health care delivery system—with enhancing Veteran access and outcomes at the core. The VA MISSION Act requires VA to continue construction, leasing, budgeting, and long-range capital planning activities while the market assessment and Asset and Infrastructure Review (AIR) Commission activities are occurring. The additional AJP investment would enable planning to start sooner to address facilities we know are not conducive to future health care delivery, while still being informed by outcomes of the AIR process.

Health care innovation is occurring at an exponential pace and the comparative age between VA facilities and private sector facilities is informed by these trends. The architects who designed and constructed many VA facilities in the decades following World War II could not have anticipated the requirements of today's medical technology and the key role infrastructure and technological infrastructure now plays in delivering safe and high-quality health care. As a result, many of VA's facilities were not designed with these technology and infrastructure requirements,

which limits our agility and ability to meet the evolving health care needs of Veterans.

The experience of responding to the COVID-19 pandemic brought critical lessons. Uncertainty regarding the timing and location of the next surge or surges in cases across the country underscored the importance of portable capabilities (e.g., 24-bed Intensive Care Unit that can be transported) for VA health care's Fourth Mission role in future public health emergencies.

Transforming VA health care to achieve a safer, sustainable, greener, person-centered national health care model requires VA to leverage innovations in medical technology and clinical procedures. As technology-enabled trends in U.S. medicine bring health care closer to individuals and communities, there is less demand for prodigious, sprawling campuses and more demand for emphasis on ambulatory facilities and virtual care. Many surgical, medical and diagnostic procedures that once required a hospital stay now are performed safely in the outpatient setting, and telehealth and tele-service delivery bring expertise to a patient's own home.

This evolving landscape requires VA to rebalance and recapitalize its infrastructure to optimize the mix of traditional inpatient hospitals with outpatient hospitals, multi-specialty Community Based Outpatient Clinics, single specialty Community Based Outpatient Clinics and virtual care.

#### LEVERAGING TECHNOLOGY TO SUPPORT SERVICE AND MEDICAL CARE DELIVERY

VA is undergoing one of the most comprehensive information technology (IT) infrastructure modernizations in the Federal government, which will support seamless transition of health care information throughout an individual's journey from military service to Veteran status. The 2022 Budget Request includes \$4.8 billion in appropriations for the Office of Information and Technology to pilot application transformation efforts, support cloud modernization, deliver efficient IT services and enhance customer service experience. Our three main transformative projects are the implementation of the Electronic Health Record Modernization (EHRM); the replacement of VA's multiple, aging systems to manage its inventory and assets with the enterprise-wide inventory management system used by the Department of Defense (DoD)-the Defense Medical Logistics Standard Support (DMLSS); and the adoption of a new financial and acquisition management system-our Financial Management Business Transformation (FMBT).

#### EHRM

In October 2020, VA deployed a new electronic health record (EHR) system at the Mann-Grandstaff VA Medical Center in Spokane, Washington. This effort is one of the most complex and transformational enterprise-wide endeavors in the Department's history. The Budget includes \$2.7 billion in FY 2022, which maintains a significant level of investment in FY 2022 and in future years and ensures necessary infrastructure upgrades are in place. This EHRM appropriation is in addition to the request for the central IT appropriation. The vision for the new EHR system is to empower Veterans, Service members and care teams with longitudinal health care information to enable the achievement of health and life goals from Service in the military to Veteran status. The new EHR system also presents the opportunity to achieve unprecedented interoperability with the DoD and functions as a catalyst for advancing VA's leadership of health care in the United States.

In my first weeks in VA, I directed a 12-week strategic review of the EHRM program, which consists of a full assessment of ongoing activities in order to ensure the success of future EHR deployments. Based on opportunities identified at the first "go-live" site in Mann-Grandstaff, the strategic review is focused on ensuring patient safety, identifying areas for additional productivity and clinical workflow optimization, change management and team-based training; and driving enhanced rigor into VA's management of cost, schedule, and performance. Additionally, we are conducting a human-centered design initiative to optimize the patient portal experience. We intend not only to get this right but to drive the industry forward alongside DoD. Furthermore, establishing strong, effective management of the EHRM program sets the tone for our other key efforts: modernizing supply chain management and enhancing financial and business transactions.

#### VA LOGISTICS REDESIGN (VALOR)

VA's response to COVID-19 highlighted the shortcomings of the software and business practices supporting VA procurement, logistics and infrastructure operations, including a 50-year-old inventory system, separate procurement system and multiple stand-alone systems to manage property accountability, distribution and transportation. VA also uses multiple, stand-alone systems for health care tech-

nology and facility management, which limit enterprise visibility of assets and their respective readiness conditions. VA is requesting \$299 million in FY 2022, an increase of \$103 million (53%) from FY 2021, to continue its efforts in replacing these systems.

VHA is adopting DoD's proven software platform implementing the Defense Medical Logistics Standard Support (DMLSS) information technology system to modernize and standardize our supply chain, property, health care technology and facility management business lines. This improvement will allow us to manage the VHA supply chain and support functions and operate like other integrated medical systems. In doing so, we will ensure clinicians have the supplies and equipment where and when needed to provide safe and high-quality care to our Veterans. VA completed the first DMLSS deployment at the James A. Lovell Federal Health Care Center in Chicago, Illinois, on September 21, 2020, and is continuing deployment on an accelerated schedule. We are grateful for the ARP funds that will help facilitate the continued modernization of VA's badly antiquated supply chain system.

By implementing DMLSS and standardizing our business practices, leaders at every level will be able to leverage new capabilities and capitalize on enterprise data to drive insights into operations and enable evidence-based decision-making. This implementation, too, offers significant opportunity for cost avoidance.

#### FINANCIAL MANAGEMENT BUSINESS TRANSFORMATION

In support of VA fiscal stewardship, the Financial Management Business Transformation (FMBT) program is increasing the transparency, accuracy, timeliness and reliability of financial and acquisition activities across the Department. The 2022 Budget includes \$357 million for FMBT, a program that is improving fiscal accountability to taxpayers and enhancing mission outcomes for those who serve Veterans. Our recent roll-out of the new Integrated Financial and Acquisition Management System (iFAMS) at NCA and VBA has not been without challenges and has exposed the incredible complexities inherent in a financial and acquisition system implementation of this magnitude. We are learning from these early deployments and adjusting our strategy accordingly. Nonetheless, these implementations bring us one step closer to providing a modern, standardized and secure integrated solution that enables VA to meet its objectives and fully comply with financial management and acquisition legislation and directives. The next system rollout is Enterprise Acquisition for NCA, which is scheduled for April 2022. System rollouts will then continue across the remaining Administrations and Staff Offices until enterprise-wide implementation is complete.

#### AN EVOLVING LANDSCAPE WILL INFLUENCE HOW VA CARES FOR VETERANS

As VA addresses challenges and longstanding issues, several long-term demographic and fiscal trends will shape VA's ability to serve Veterans in the future. Although the U.S. Veteran population is aging and shrinking and simultaneously becoming more diverse, demand for VA services continues to increase. As the Veteran population continues to evolve, it also continues to use VA more-most likely the result of nearly 20 years of sustained conflict, longer average terms of service for military personnel and rising health care and educational costs that will incentivize more Veterans to use the VA benefits they have earned. U.S. health care is changing, too, from a hospital-centric model of care to dispersed (and even virtual) care that can be delivered through networks of direct and purchased-care providers.

#### CONGRESSIONAL SUPPORT

Over the past several years, Congress has generously supported VA's budget requests, which have enabled the Department to address new and growing challenges. More recently, Congress passed the ARP, which will, among other things:

1. Help ensure health care access for the 9.2 million enrolled Veterans who may have delayed care or have more complex health care needs because of the COVID-19 pandemic;
2. Forgive Veteran health care copayments and other cost shares and reimburse copays and other cost shares for care and prescriptions from April 6, 2020 through September 30, 2021;
3. Fund construction grants and payments to State Veterans Homes to greatly improve the living conditions of our most vulnerable Veterans;
4. Provide up to 12 months of training and employment assistance for unemployed Veterans to enter high demand occupations; and

5. Help reduce the backlog of disability compensation and pension claims, which has grown from 73,000 in March 2020 to 188,000 in May 2021.

The Department is grateful for the ARP, which not only will enhance VA's ability to deliver world class services to Veterans and their families, but also will ease thousands of Veterans' worries by forgiving some debt, speed up VA disability compensation claims adjudication and provide much needed funding to retrain Veterans in high-demand occupations. We will work diligently to ensure these funds are effectively and efficiently used.

#### NEW STATUTORY AUTHORITIES

Over the past 3 years, Congress has passed into law numerous, far-reaching pieces of legislation, including the John S. McCain III, Daniel K. Akaka, and Samuel R. Johnson VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018 (VA MISSION Act of 2018), the Commander John Scott Hannon Veterans Mental Health Care Improvement Act of 2019, the Veterans Comprehensive Prevention, Access to Care, and Treatment Act of 2020 (Veterans COMPACT Act of 2020), the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 and the National Defense Authorization Act (NDAA) for Fiscal Year 2021.

The 2022 Budget Request includes over \$500 million within VA's Medical Care accounts to begin implementing new and recently expanded health care programs for Veterans, including a new grant program for suicide prevention outreach, increased eligibility for emergency suicide prevention treatment, new investments in women's health programs, expansion of homeless programs, and military sexual trauma services. The funding also will further support the Department's efforts to address substance use disorders.

#### ENVIRONMENTAL EXPOSURES

For some medical conditions that develop after military service, the information needed to connect these conditions to military service may be incomplete. Information may be needed about specific in-service exposures or there may be incomplete scientific or medical evidence as to whether an exposure causes a particular condition. These issues loom large for all Veterans, represented currently by post-9/11 Veterans, whose exposures to airborne and other environmental hazards may result in unknown long-term health impacts. I am committed to a full review of how VA provides health care and benefits to Veterans exposed to environmental hazards to be responsive to the Veterans we serve. I believe it is possible to strike a balance between the needs of Veterans and the need for an evidentiary scientific basis for action.

In 2019, Congress passed legislation expanding benefits to tens of thousands of Blue Water Navy (BWN) Vietnam Veterans. As of May 1, 2021, VA has completed more than 54,000 BWN claims and paid out nearly 900 million in retroactive benefits. More recently, VA added three new diseases to the Agent Orange presumptive conditions list in the FY 2021 NDAA. VA will begin implementing these provisions so that Vietnam Veterans will no longer wait for these earned benefits. As the Department harnesses its resources to execute these new requirements and ensure Veterans receive the benefits they have earned, I have also recommended initiation of rulemaking to establish a presumption of service connection for respiratory conditions related to exposure to particulate matter and other airborne hazards, which may include such conditions as asthma, rhinitis, and sinusitis for Gulf War Veterans. This decision was based on the first iteration of a newly formed internal VA process to review scientific evidence relating to exposures. VA will conduct broad outreach efforts to reach impacted Veterans and encourages them to participate in the rulemaking process.

#### RESEARCH

The Budget includes \$882 million, the largest year-over-year increase in recent history, for medical and prosthetic research. This historic investment will advance the Department's understanding of the impact of traumatic brain injury (TBI) and toxic exposure on long-term health outcomes while continuing to prioritize research focused on the needs of Veterans to include Mental Health and Suicide, Rare Cancers and Prosthetics as well as other disease areas.

Increased TBI investment will enhance cutting-edge diagnostics and treatments such as investigating the role genomics plays in resilience and recovery from blast exposure, validating blast models, and studying the link between TBI and suicide. Further investment in environmental exposure includes the VA Military Exposures

Research Program (MERP), capacity building with Federal partners, and expanding the workforce in military exposures research and training.

VA will also invest additional resources, including from the American Rescue Plan, to advance the Department's understanding of coronavirus related research and impacts. To remain on the cutting edge of technology, VA will focus on software-as-a-service, cloud computing, and data security, and will continue to partner with the Department of Energy (DOE) to capitalize on DOE's computing power and technical expertise to put Veteran data to work.

#### DIVERSITY, EQUITY AND INCLUSION

Diversity, equity, and inclusiveness are standards fundamental to everything we do. We will welcome all Veterans, including women Veterans, Veterans of color, and LGBTQ+ Veterans. Every person entering a VA facility must feel safe, free of harassment and discrimination, and we will never accept discrimination, harassment or assault at any VA facility. We will provide a safe, inclusive environment for Veterans and VA employees.

Diversity is a strength, never a weakness, among Veterans, VA employees and all of America. Leveraging diversity, equity and inclusiveness will produce the excellence in all our interactions with Veterans. I recently instructed my team to establish a 120-day task force on diversity, equity and inclusion. The task force's goal is to offer concrete, actionable recommendations while building solidarity across the VA system on diversity, equity and inclusion. To support the Department's commitment to strengthening VA's diversity program and preventing and resolving discrimination at the early stages, the Office of Human Resources and Administration created the new Office of Resolution Management, Diversity, and Inclusion (ORMDI) by consolidating the Office of Diversity and Inclusion and with the Office of Resolution Management. The budget for this combined office will increase by \$12.9 million and 74 FTE. These resources will also provide a robust harassment prevention program and counseling services while advancing equity for all who have been historically underserved.

The Budget Request also furthers the commitment of the VHA Office of Health Equity to help eliminate health disparities based on race, gender, age, religion, socio-economic status or disability by improving health outcomes for underserved Veteran populations.

#### EMPOWERING LEADERS TO IMPLEMENT POSITIVE CHANGE

I am mindful VA's capabilities have not always risen to the needs of our Veterans. Consistent throughout many of these past shortcomings has been a theme of leadership inconsistency and cultural challenges. To rebuild trust and restore VA as the premier agency for ensuring the well-being of America's Veterans, I am focusing on building a diverse team of professional, experienced leaders who bring a great breadth and depth of knowledge in government and Veterans issues. To that end, we recently stood up a commission to identify candidates to lead and manage VHA.

At the same time, I also am working to retain the talented and hard-working leaders we currently have by empowering them to make decisions in a structure that allows them to do what's right for Veterans. As an initial step in support of that effort, I recently signed a memo for VA employees emphasizing my intent to lead with VA's ICARE Core Values—Integrity, Commitment, Advocacy, Respect and Excellence—and have been seeking opportunities to engage with leaders across the system to drive this point home. VA's success as a team—our ability to deliver world-class care for our Veterans—also depends on how employees treat one another and Veterans. Our respect for our fellow VA employees and the Veterans we serve is critical to everything we do.

Essential to ensuring a healthy and accountable culture at VA is the Office of Inspector General's oversight. The 2022 Budget includes the OIG's request of \$239 million for 1,100 FTE to support its programs and operations through independent audits, inspections, reviews, and investigations. The OIG's efforts have a significant impact on the services and benefits provided to Veterans. This funding level is prudent to safeguard the significant investments in VA and to help improve services and benefits for Veterans and their families.

I take full responsibility to ensure VA employees have everything they need to carry out the important work before us and we operate in a culture that celebrates and draws strength from our country's great diversity. To ensure a welcoming environment for Veterans, we must foster fair and inclusive VA workplaces where the experiences and perspectives of our diverse employees are valued. The success of our mission depends on everyone being able to contribute their expertise, experience, talents, ideas and perspectives. I commit to advancing equity in VA and providing

all employees with opportunities to reach their full potential. I commit to these principles and will make sure my senior leadership team reflects and embeds them in everything we do.

At this moment when our country must come together, caring for our country's Veterans and their families is a mission that can unite us all, and I look forward to working with this Committee, Congress as a whole and our many other partners to embrace our collective responsibility to serve Veterans.

Mr. Chairman, Ranking Member Boozman, I look forward to working with you and this Committee. Thank you for the opportunity to appear before you today to discuss my priorities for the Department and how the President's FY 2022 and FY 2023 Advance Appropriations Request will serve our Nation's Veterans.

Senator HEINRICH. Well, I want to thank you both. And, the fiscal year 2022 request and the fiscal year 2023 advanced appropriations request, Mr. Secretary, are record levels coming on top of a record fiscal year 2021 appropriation, and significant supplemental funding. The pandemic provided unique challenges to projecting where veterans will demand those services.

For instance, through transfers, and the second bite, VA is significantly increasing resources to meet community care demand in fiscal year 2022, yet, this budget assumes a decrease in demand in fiscal year 2023. So, what is VA's vision for the right balance between in-house and community care going into the future; and is the medical community care request in 2023 the right number?

Secretary MCDONOUGH. Thank you very much. Thank you very much, chairman. We have been talking with all of you and with your teams, as well as within the agency about the right balance. We are driven first and foremost by the requirement in statute that we make decisions based on best outcome for veterans. That is also the commitment I have made to the Senate in the context of my confirmation, which is, every decision I make will be based on increasing access and improving outcomes for veterans.

So first and foremost, we will make a determination based on what is medically best for our veterans. Second, I happen to believe, and I think the data shows, that veterans in our care do better than veterans not in our care. So, I think it is very important that we maintain a sustainably funded, whole health care system in VA, with the full range of specialties that our vets have demanded over time, and with care provided by providers who have particular understanding of the challenges facing vets.

The fact is, however, that—and particularly in highly rural areas—our vets will continue to be dependent on the community as well. And this is something I have talked at length with many members of this body about, and traveled to see the impacts of our partnership with the community.

And so, we will be working over the course of this year and next, as we manage this bow wave of care, our next year's appropriation, advanced appropriation request, recognizes that the expansion of provision of care is not as I think Senator Boozman fears it may be, or asked for clarity, that it not be a resetting of the baseline. But it is rather an ability to manage this bow wave of care now, and then over time as we get to post-pandemic, we will be in a position to right-size that care in the system and find where we need to augment that care in the community.

Senator HEINRICH. Mr. Secretary, I know the AIR Commission work is ongoing, but one of the concerns I have is that, to do a market assessment during a pandemic raises a lot of questions about

the data that will go into those final decisions. We had enormous market distortions. We saw that in impacts to your budget, we saw it in the private sector. Will you provide that data to the committee, but also, do you have concerns about the quality of that data?

Secretary MCDONOUGH. So, our teams have been looking at these market assessments now going back a couple of years. I have not dug into that data aggressively myself. I do have a belief. I do believe that it makes sense for us to relook that data in light of the pandemic, also in light of the fact that the U.S. Government has just gone through the decennial Census, for example. So, there may be data there, too, for us to prosecute as we do these market assessments.

So, we will be augmenting the review that we have had to date. We are also committed, I have made this commitment in other public hearings, and I reiterate it here, to provide you that information for you to make your own decisions about this. I think it is only right that we make decisions like this with such import for the national interest in the light of public day—in public light. And that is what we intend to do. So, I would be more than happy to make sure that we get the committee information.

Senator HEINRICH. Great. I look forward to taking a look at that, and I have concerns given what a unique year it is to make very long-term impactful decisions based on data, in what may be a year that is a complete anomaly. With that, we will go to the Ranking Member for his questions.

Senator BOOZMAN. Thank you, Mr. Chairman. The CARES Act and the American Rescue Plan provided VA with \$37 billion to respond to the pandemic. One of the conditions in the CARES Act was that any personnel hired using this money can only be temporary employees, so as to avoid building a “budget tail” in years to come. And you discussed a little bit about this in your previous question, but I want to follow up. The fiscal year 2023 medical care advance appropriations requests \$111.3 billion is an increase of \$13.8 billion over fiscal year 2022 revised request.

So, I guess the question is, what is driving the 14 percent increase? Is the budget proposing to make the temporary hires permanent? Has the sudden influx of COVID-related funding reset the VA baseline significantly higher than it was before the pandemic?

Secretary MCDONOUGH. Yeah, we don’t—I will ask Jon to pile in with some additional specifics on this, Senator Boozman, but we don’t seek to reset the baseline. We are seeking to manage both a strong pandemic response, which the CARES Act allows us to do, and then ARP really allows us to sustain that response, which is going to need to be sustained through this year, because of this bow wave of care, and supports recovery.

But really what is happening, as we see care for our veterans, is a series of fairly substantial, big-moving pieces that include the fact that vets are living longer, that the pandemic has increased the complexity of care that our vets are facing. By the way, I think we have a better handle on that than anybody. We are doing—if you look in—you can’t open a newspaper any morning now without seeing a story about VA-based research on Long COVID, and to be

honest with you, no other system is doing that. We are doing that, thanks to your support.

We have a particularly soft economy right now, and historically what we know in soft economies is that vets who were reliant on employer-provided care, until now, are relying on their care for us. Lastly, all those things contribute to a trend line towards complexity of care for our vets. That means that any incident of care is more complex and therefore more costly.

That is coming at a time when, for example, the MISSION Act has increased what we call “reliance on us.” So, more vets are getting more services from us, as a result of some of the authorities in the MISSION Act, so what you see in that budget is our best assessment based on our model, and a model that has proven pretty decent over time, at what we anticipate in terms of complexity of care, and reliance on us for our services from our vets.

Anything you want to add, Jon? Did I miss anything?

Mr. RYCHALSKI. Yeah, just one thing. I think when you look at our budget, there is a request—an increase in the requests, but when you compare how much we plan to spend in 2022, which includes ARP funding, and then you compare what we plan to spend in 2023, our budget actually goes down by about \$4 billion. And I think from a strategic standpoint, what you see is us hiring up, and then those FTEs staying on, but we are putting most of our requests in 2023 in the direct care system, and as the Secretary mentioned, we are betting that is going to be where people are going to want to get their care.

And that this dramatic increase in community care is going to level off a bit. And you also see, going back to what I said, the \$4 billion—sort of comes down about \$4 billion in 2023, because we think that the community care will level off, you know, that the demand for services in the direct care system will rise. But net-net, we actually have a lower planned expenditure in 2023 than 2022, because we don’t have the same supplemental funding.

Senator BOOZMAN. So, what do you all feel, like is driving the increased demand for community care now? Because when you look at your modeling, and you look at the numbers that you are requesting, certainly, you know, there is a bunch of community care dollars now, but not in the future. And again, don’t misunderstand, myself, the entire committee is committed to in-house specialists, you know, the quality of care, you know, again, as good as anybody. And I think we can be very proud that the VA has achieved that. On the other hand, I think what we don’t want are a bunch of surprises, going down the line, which we have really seen in the last year or two.

Secretary McDONOUGH. Look, I couldn’t agree more Senator. And I would start on your last point, which is, I don’t misunderstand you, and we couldn’t misunderstand you because you have been regularly supportive of all of our efforts. So we are very grateful for that.

I think that what is driving community care at the moment is that, by necessity, I think many providers in the community, open to full services sooner than many of our providers did. So that is one of the things that is driving this. The other is that we are experiencing now what we have been talking about for some months,

which is that as the pandemic ebbs more of our vets are coming back to address care that they forewent during the pandemic. And that is also happening at a time when not all of our facilities are fully open. And so, we do think that what is driving the care in the community are the particulars of the pandemic, and less a stated desire of our veterans to get into the community.

That said, partly to inform our going-forward process. We are in the field right now through our Veterans Experience Office, talking to veterans about what their experience in care during the pandemic was, and what that says about what they expect going forward.

Senator BOOZMAN. Good, very good. Thank you, Mr. Chairman.

Senator HEINRICH. Senator Schatz.

Senator SCHATZ. Thank you, chairman; vice chairman.

Secretary, Assistant Secretary, thank you for being here. Thank you for your service. I want to talk first about telehealth.

Secretary MCDONOUGH. Yes.

Senator SCHATZ. Obviously VA has made tremendous strides in telehealth as has the private sector, Medicare, Medicaid, DOD, it is happening everywhere. The specific question I have to start is: To what extent are any of the expansions of telehealth services, dependent on or precipitated by the pandemic, and likely to snap back to the Stone Ages when the pandemic is over? Or are there plans in place to not only institutionalize all these expansions of services, but to expand them?

Secretary MCDONOUGH. Yes. So bottom line is that we have—let me just give you some numbers around the expansion, basically, we estimated at about an 1,800 percent increase in video visits from VA to home, going from about 10,500 visits in the first week of March 2020, to 220,000, or almost 230,000 visits at the end of February of this year. So, the numbers are a dramatic expansion.

Another way to look at it is, halfway through this year, nearly two million vets—this fiscal year—have had one or more episodes of video care through our vets' Video Connect Program. So that tells us that there is massive demand. We are institutionalizing that as you say, we want to maintain it because it is ease of access for vets who don't need to be seen in person. We see a large degree of satisfaction from our vets. In full candor, our clinicians sometimes are less excited about it than our vets, but we are working that.

Senator SCHATZ. That is kind of what I am trying to get at, is to what extent are any of these, at least currently temporary changes in clinical standards, or standards of care that need to be made permanent lest we go back to where something is more comfortable for either VA docs, or supervisors, or fiscal people.

Secretary MCDONOUGH. Yeah.

Senator SCHATZ. Do we need to institutionalize some of these. Like, are there specific places we need to burrow into the bureaucracy, or into the statutory law to make sure these things stick?

Secretary MCDONOUGH. We are looking at exactly those questions. I think overwhelmingly there is going to continue to need to be things that are done in person, and we are looking—we are developing those lists of what those are, working with VHA. But I think as a system, we recognize the huge efficiency gains and huge

satisfaction gains, which come from the fact that vets are spending less time traveling to our facilities, while getting good care.

And so, we have a bias toward institutionalizing, but we are going to let the data drive that too. So we will be more than happy to stay in close touch with you on that.

Senator SCHATZ. Okay. I think I will send a QFR on this.

Secretary MCDONOUGH. Good.

Senator SCHATZ. So that we can get a little bit deeper fidelity on—

Secretary MCDONOUGH. Fair enough.

Senator SCHATZ [continuing].—what changes you need to make and how we can be supportive of it, because I have just seen in Private Pay and Medicare, you know, there is going to be a tendency to want to snap back to pre-pandemic time. And, I just think there is going to be a patient revolt if—you know, 10 years ago if you told someone to interact with their clinician via their iPhone, it would be an insult. And now if you can't do that, it is an insult.

And so, I just think we are underestimating the extent to which people are going to freak out in 18 months, if something that was fantastic and available is suddenly not. And we want to help you to make sure it is all permanent.

Secretary MCDONOUGH. I agree with that. And I don't want to waste any more of your time, but I just make this point, which is, we have such demand for mental health care, like everybody else in our health care system, writ large, at such a position of competing for providers, we get not insignificant marginal gain of access through using video platforms, that it would be foolhardy to walk away from that.

Senator SCHATZ. And there is at least anecdotal evidence among veterans that accessing mental health services via telemedicine can sort of overcome or circumvent the stigma.

Secretary MCDONOUGH. No doubt.

Senator SCHATZ. And so, it is all to the good, we just want to help you to make it permanent. Final question, when we spoke in January I mentioned the veterans on Hawaii Island are still waiting for VA to break ground on the new outpatient clinic in Hilo, Hawaii.

Secretary MCDONOUGH. Yes.

Senator SCHATZ. Can you please give me an update?

Secretary MCDONOUGH. Yes, so we have an interim lease, fix in place, the permanent lease is taking far too long, both in Hilo, but across the board. So, we are looking at that systematically. The interim lease is in place, and I think we are in a position now to execute against that interim lease as we try to push on the permanent lease, which is now about 9 months delayed. So, we are staying on top of it.

Senator SCHATZ. Thank you.

Senator HEINRICH. Senator Hoeven

Senator HOEVEN. Thank you, Mr. Chairman.

Secretary McDonough, it is good to see you again.

Secretary MCDONOUGH. Nice to see you.

Senator HOEVEN. For all that work you did as chief of staff, and good to see you in your new role, congratulations on that.

Secretary MCDONOUGH. Thank you.

Senator HOEVEN. Appreciate the opportunity to work with you again. Thanks for being here today, to both of you. One of the things that I have been working on for a long time is—and we have included language in a number of the bills, we passed the VA MISSION Act, and a number of the other veterans' bills that we passed.

If a nursing home takes Medicaid or Medicare reimbursement, they have a set of standards and inspections that they have to meet. But if they take VA reimbursement, then they have additional standards they have to meet. So, they ended up with multiple inspections and additional regulations. As a result, only about 20 percent of the nursing homes in the country take VA reimbursement for long-term care.

That makes a huge difference to our veterans because qualifying veterans can actually draw on the VA benefit without having to expand all our assets, unlike Medicaid, for example, where they would have to first dissipate their assets down to, you know, standard testing, varies a little bit by state. So, for qualifying veterans, this is a big deal.

Now, about 20 percent of the nursing homes do take VA care—or VA reimbursement, but a lot don't for that reason. And so, we are trying to work with you, and with Labor, and with HHS to get these veteran care agreements simplified so that, you know, these nursing homes will take veterans with VA reimbursement, because like I say, the asset test.

And so I would ask for your help. And we have just had a number of different challenges. Sometimes the VA tells us, "well, you know, those additional requirements, and those additional inspections are—we are just trying to take care of veterans," and "we are just trying to protect the veterans." Well, I mean, that almost kind of makes the assumption that, you know, HHS and states are not taking care of other seniors.

So, I mean, that does not really seem to fly. It really is a red-tape problem. And so, if we could work with you to streamline that, so that if a nursing home meets all the requirements for Medicare or Medicaid, then they should not have additional set of requirements for VA reimbursement. So that is the issue, and I would ask for your help on it.

Secretary McDONOUGH. Thank you, Senator. I confess that it is, and I know you have been working with us, I am not deep on this. I will just say the following, which is that our experience during the pandemic is that our clinicians far exceeded performance on reduction of COVID infection in our facilities, as related to other facilities, both state-run facilities, state-run veterans' facilities, and private privately-run facilities. So, I think there is a lot of work that we have done in this space, but I would be more than happy to take this and commit to work with you on it.

Senator HOEVEN. Yeah. And the key is access, you know, because you may have loved ones that have to travel a distance if they can't get their loved one in a nursing home close.

Secretary McDONOUGH. Yeah.

Senator HOEVEN. And this is not just a North Dakota problem, this is a nationwide—that stat I have cited is a nationwide stat.

Hyperbaric Oxygen Therapy, HBOT: the veterans really feel that this is important to them, particularly for PTS. And we have got a pilot program going, there is a number of locations, including the VA center in Fargo, which is a high quality outstanding center, serves a lot of North Dakota, but a lot of Minnesota too. But are you committed to making sure that our veterans can get access to HBOT?

Secretary MCDONOUGH. Yeah. Well, we are running that pilot currently. I just asked for an update on it yesterday. It runs, as you know, through this fiscal year, so we are absolutely committed to making sure that we run this through, we get high quality review of this, and then as we have assured you, we will make the decisions based on that. So, I will be more than happy to do that and stay in close touch with you.

Senator HOEVEN. Yeah. We would like to work with you on that too. We have talked to so many veterans that really, really swear by it, and so I think this is going to be something, and not just veterans, as you know, for concussions and other things as well.

Secretary MCDONOUGH. Yeah.

Senator HOEVEN. You know, All-Star football players like John Boozman, and others, you know, sometimes—I think it has been very beneficial to them. I am sure you have seen the Joe Namath commercials, and he talks about it. The last thing I will bring up.

Senator BOOZMAN. The secretary played.

Senator HOEVEN. Oh, is that right?

Senator BOOZMAN. Yeah.

Secretary MCDONOUGH. Yes, I did.

Senator HOEVEN. Where did you—where at, Minnesota somewhere?

Secretary MCDONOUGH. I played at St. John's University.

Senator HOEVEN. Oh, you are a Johnny. Was that back when they had the fabulous teams? They had a long string of championships.

Secretary MCDONOUGH. Yeah, they had a bad defensive back in me, but very good teams.

Senator HOEVEN. Good for you, fantastic.

A last question, I will be quick. I am sorry, Mr. Chairman. It is just, ask for your help at the rural—we have the Rural Initiative (cemeteries), great program.

Secretary MCDONOUGH. Yes.

Senator HOEVEN. Huge kudos to you. We have one now in eastern North Dakota. I just ask for your continued commitment as we add, you know, really important things, like restrooms, and storage, and wind walls, and things like that. Fabulous initiative in rural America, and I would just ask your strong support for it.

Secretary MCDONOUGH. Yes. You got it.

Senator HOEVEN. Yes. Thank you. Thank you, Mr. Chairman.

Senator HEINRICH. Senator Tester.

Senator TESTER. Thank you, Mr. Chairman. A couple of house-keeping things, first of all: I want to thank Secretary McDonough for bringing up John Warner. John Warner gave me the best advice I have had since I got here. And I have seen this advice play out several times. His advice was, "Don't stay here too long, kid" which was, which is good advice.

And then the other thing, Mr. Chairman, I just want to point out that you have possibly the best staff director of any of the appropriations committees, in Michelle Dominguez, she is absolutely the most competent staff member on the Appropriations Committee that I have ever been affiliated with. And she used to work for me.

So, Mr. Secretary, you, or the VHA, brought on nearly 8,000 employees under the Temporary Emergency Funding of COVID-19. What is your plan to keep those folks on board when the ARP money runs out?

Secretary MCDONOUGH. Well, we are letting the demand for services inform that. We have a particular set of demands, and I know this is particularly important to you, around mental health. So, our first and biggest effort is to retain the excellent clinicians that we have, even as we approach a series of expected retirements.

We are right in the middle of the annual Employee Survey at the moment, we will get data from that, which will give us a sense of what to expect coming in the new year. But the first and biggest challenge for us is to retain the people that we have. And then next is to make sure that we are not just out competing with other health care systems, but that we are adding to the available clinicians. And this is where our education component and our residency programs become so important to us. So, that is why we have the funding that we have requested in the budget. And we will continue to work with you guys on precisely that.

Senator TESTER. Thank you. Community care was brought up previously, but I just want to approach this from a little different angle. There has been a lot of talk about the wait time to see a doctor within the VA. And correct me if I am wrong, but I understand you are meeting the guidelines for wait time, is that correct?

Secretary MCDONOUGH. We are. Yes.

Senator TESTER. Okay. Are you able to track the wait times in the private sector?

Secretary MCDONOUGH. We are looking at that now to make sure that we have a good handle on this. You know, come a year from now, we have to make some decisions about our access standards. That is what the law requires us to do. I have implemented and started a process over the course of the last six weeks, or so, where we get the data to help us inform the decisionmaking that we have to make in consultation with you for a year from now.

Among the data I am asking for is veteran satisfaction, health outcomes, wait times, and commensurate wait times for care in the community.

Senator TESTER. I think it is really, really important, because, the fact is wait times have been an issue which, by the way, why we have community care to begin with. And if we are not addressing that issue, the community care, then we need to go back and address it.

Speaking of mental health, I was surprised in this year's budget that the VA projects treating 6,000 fewer vets via inpatient mental health care in 2022 than it did in 2021. Is that because of telehealth, or is there another reason here?

Secretary MCDONOUGH. I think it is principally due to telehealth. But, Jon, am I missing anything on this?

Mr. RYCHALSKI. Don't have the answer to that.

Secretary MCDONOUGH. Okay. Well, let me take that specifically, Chairman. But I think that is due to telehealth because frankly we will see our demand is up across the board.

Senator TESTER. Appreciate that. And I agree. Now I want to talk about something that is near and dear to both our hearts; and that is toxic exposure, and in a bill that Senator Boozman is very familiar with, as well as myself, and other folks that are on a VA committee. The budget supports about \$7 million in new spending on toxic exposure research, to focus on collaboration between the VA, DOD, and the national academies, and other stakeholders. My question is: Do you think the VA should be the lead Federal agency on veteran toxic exposure research?

Secretary MCDONOUGH. I do believe we should be. And I think that we are.

Senator TESTER. And do you feel that that increase of \$7 million establishes the VA as a leader on this research?

Secretary MCDONOUGH. I think it does, but I also think, Chairman, as you are aware, we have also set up a process whereby we are getting the benefit of all the other science agencies, DOD, Department of Labor, HHS, and their attendant offices and capabilities on a very regular basis, in addition to the National Academy of Science. And my commitment to you all is to not only to continue to get that science, but to report to you on a quarterly basis what that science is telling us, including about whether we are in a position to connect other conditions to service in Southwest Asia.

Senator TESTER. I know that community care was talked about earlier, and the amount of money that is being spent on community care. And in some aspects, that is simply not sustainable, especially as it applies to emergency room treatment. I want to give you an example. And if I might, Mr. Chairman, of a story that was relayed to me just last week by a doctor that works for the VA, and is very proud to work for the VA. And a patient came in, I believe he had kidney stones, and he got to see him at about 4:30. And, of course the day ran out at 5:00.

And the advice that was given to him by his superiors was: just send him to the private sector. The guy wanted to be treated by the VA and the easy way to do it—and maybe this is the problem—the easy way to do it was just get him to the private sector. I know you are concerned about this, and I appreciate your concern. And I just think that we need to be wise about how we utilize the private sector. It is the veteran's choice, it is not the VA's choice. Thank you.

Secretary MCDONOUGH. Yeah. I would just say one thing about that is—two things about that. One, what the clinicians tell me is that to refer a vet to the community takes, in our current electronic system, two clicks. To refer somebody back into care in the system is something like 18 to 20 clicks. That does not seem right to me.

That suggests, I think, as Senator Schatz was asking, a kind of an institutional direction. So, have asked us to look at that. The second is our facility in Ann Arbor is going through and running a pilot about access to emergency care, including access to mental health services. And this is anecdotal, this is why we are out getting some kind of statistically significant information from our vets.

But the anecdote there was, our hospital administrator told me, is that when she invited vets back into care in the system, they all asked—three of them said to her: I am grateful that you ask, and I always wondered why he pushed me into the community in the first instance.

And so, I don't know that that anecdote adds up to something statistically significant, but I want to make sure that we are giving the vet and the clinician the opportunity to make the best—what the statute requires, the best possible outcome for the vet deciding this. That requires us meeting our wait times, but it also requires us making sure that we don't tilt the—tilt the record.

Senator TESTER. Thank you.

Senator HEINRICH. Senator Baldwin.

Senator BALDWIN. Thank you, Mr. Chairman.

And welcome, Secretary MCDONOUGH.

Secretary MCDONOUGH. It is good to see you, too.

Senator BALDWIN. I know that when we spoke earlier this year that we talked a bit about bipartisan legislation that I had sponsored: the Jason Simcakoski Memorial and Promise Act.

Secretary MCDONOUGH. Yes. Jason's Law.

Senator BALDWIN. Jason's Law. And, it was signed into law in 2016, and the law has been effective in strengthening oversight of the VA's opioid prescribing practices and providing safer care for our veterans. So, I thank you for the Department's support of Jason's Law in the fiscal year 2022 budget. The progress that Jason's law is making to improve the care of veterans is, I think, really quite remarkable.

And I remain committed to working with you to ensure delivery of the highest quality of care to our nation's veterans. But I also want to thank you for your commitment to meet with this Simcakoski family, to discuss implementation of the law that is named after their son, Jason. Can you give me any updates today on the VA's effort to reduce or right-size the prescribing of opioids, in addition to the latest VA-wide statistics on the rate of opioid and benzodiazepine prescribing?

Secretary MCDONOUGH. I don't have those. I would be more than happy to provide those data to you, you know, when we leave here, I don't have those at my fingertips here. I believe informed both by the tumultuous experience—traumatic experience at Tomah, as well as, a national epidemic on substance use disorder.

Our programming continues, as you suggest, to make good progress. This includes very aggressive recordkeeping about prescription practices, and that includes us working very hard to harmonize our records, for prescribing in the community, as well as for prescribing in the system. So, I think we are making good progress there. But the fact is that substance use disorder remains an epidemic in the country. And so, we will stay on top of this.

Senator BALDWIN. You know, on that note, the COVID-19 pandemic has, I think, increased the severity of our opioid epidemic.

Secretary MCDONOUGH. Yeah.

Senator BALDWIN. And I am wondering if there are any particular Departmental programs to address this within the veterans population, you know, pandemic-related, adverse mental health and opioid abuse, or is this—

Secretary MCDONOUGH. There has been reporting on incidences of increased prescription of opioids for pain treatment in Long COVID. And overall, there has been reports, and across the health system, not the VA system, but across U.S. health system, of prescription of opioids for pain management in the context of COVID.

In light—in reaction to those stories we went back in VHA to look at prescribing practices. We don't see that currently in our system. We have looked at that and we will stay on top of that for the obvious reasons. But it also goes to the point that I think the budget request also goes to, which is, the research capacity that you enable through the budget at VA is incredibly important.

Nobody is doing as much research right now on Long COVID as we are. That is facilitated by how we aggregate data, and that will be improved even greater when we get this electronic health record on track. But it also speaks to the fact that that is a fundamental capacity we need in house, and that we need to make sure that we sustain over time. And we are using that expressly on substance use disorder and watching it very closely. And we will—obviously we know of your personal interest in this, and we will stay in close touch with you on it.

Senator BALDWIN. Thank you very much, Mr. Secretary. I have run out of time. I will submit two additional questions for the record, one pertaining to K2 veterans and exposures. And the other, dealing with, partnerships between the VA and, county or tribal veterans, service officers, to make veterans in local communities aware of the full array of services that they might be eligible for.

Secretary MCDONOUGH. I would just—at the risk of going over, we have the Annual Tribal Nations Summit at the White House in this fall. This is one of the things that we will be—we are trying to develop more robustly in anticipation of that. We are seeing really useful, collaboration between our national facilities, and local, and community facilities, and IHS facilities that build on some authorities you have given us. That might be something that we should follow up with.

Senator BALDWIN. Great. Thank you.

Senator HEINRICH. Mr. Secretary, I look forward to hearing more on that front. Actually, I think Senator Baldwin and I share an interest in, and that is a very complicated, coordinated care model that oftentimes our tribal veterans have to utilize.

I want to ask you a question about compensation and pension exams. Under the previous administration, the Department indicated that it planned to contract out nearly all of the compensation and pension medical exams, and despite a number of VSOs, many senators raising concerns, the VA continues to, largely, privatize this component of its mission, and it is requesting funding for more staff to oversee those contracts. What is the financial basis, first off, for contracting out? And how does the cost of providing this service internally compare with providing it through these contracts?

Secretary MCDONOUGH. Yeah. So first and—first and foremost, we have a significant backlog at the moment which—so, I think part of the funding that you see reflected in the budget is our commitment to get that backlog down. That backlog springs from the

pandemic. There is about a two-month period during which we did no exams, out of deference to the safety and health of our vets. That number is now at about 180,000 [sic]. That is down from about a hundred—sorry, about 220,000.

So, I don't have the dollar-for-dollar comparison, but I will get that for you and submit that. But I think you are right that we continue to rely a great deal on contracted C&MP exams, but we have cranked up volume on two other ways to administer the exams. One is in the system that is out of a collaboration among Dr. Stone at VHA and Tom Murphy at VBA, where VHA is now providing additional in-system C&MP exams. That does come at the expense of other, or at the cost of other services that VHA is providing. So, we are looking closely at that and tracking that closely to make sure that that does not tip in the wrong direction.

And then we are providing C&MP exams through video telehealth, video and telehealth, and so that also increases demand on our in-house practitioners. But I think it is really important that we not—that we get that backlog down. So that is what is reflected in the budget. As to the specific dollar-for-dollar comparison, to let us make that, and we will get that back to you unless you have that off the top of your head.

Mr. RYCHALSKI. No.

Secretary MCDONOUGH. Okay.

Senator HEINRICH. Great. No, I appreciate that. We have talked a little bit about the unique challenges that rural veterans face but, you know, access to care in-person or via telehealth, it is just hard recruiting and retaining primary care and specialty providers. This budget requests \$307 million to support rural health initiatives. It is a modest increase over prior years, especially in comparison to the overall budget growth, but can you talk to us just how is VA developing and implementing enterprise-wide initiatives to make sure that we are serving veterans in those rural areas adequately?

Secretary MCDONOUGH. Yeah, it is a great question. I mean, we have our Office of Rural Health, which is kind of the principal place where we are innovating on policy there. I will give you a couple of examples that I think are useful.

And let me just correct the record on one thing. I looked at my notes after my answer, and what it says here as, as of June 21, the rating claims pending over 125 days is 190,000, not 180,000. So, I misspoke there.

What we find is, a couple of different things about our primary care physicians in rural areas. One is, obviously, distances traveled. We have a relatively small number of practitioners covering a lot of different CBOCs over, as you know very well, over a wide expanse. We are trying to address that by increasing the number of practitioners.

You have some isolation, professional isolation, where it may be a very vibrant, and I know it does not happen with my colleagues who work with me, but sometimes you work with a colleague who happens to be, or colleagues who happen to be very smart, very engaging, gives you opportunities to grow. When you are on the road all the time, you get less of that. So, we are trying to use, for exam-

ple, telehealth opportunities—sorry—and video connect opportunities to increase that interaction.

We are also using available authorities through that same Office of Rural Health to increase travel options for those practitioners, so they are getting to additional career development, specialty development options. Lastly, we are increasing the use of econ—sorry—educational partnerships to, again, enhance career building opportunities. So, none of these alone adds up to everything we need, but each innovation in that space I think is important. And we will continue, and this budget does continue, to invest in our ability to do that.

Senator HEINRICH. Yeah. I think all of us up here would agree that that is incredibly important. And I am running short on time, but I will just raise one more issue that is related to that, which is the VA's Highly Rural Transportation Grant Program. In fiscal year 2021, it was funded at less than \$3 million. You know, our discretionary budget this year is \$113 billion. I just think this is a place where we need to look to make sure we are actually meeting demand, and that number in fiscal year 2022 as it actually gets implemented, I think is a place we need to look at beefing things up.

And with that, turn back to the ranking member.

Senator BOOZMAN. Thank you, Mr. Chairman. I just want to touch base on the Electronic Health Record Modernization Program.

Secretary MCDONOUGH. Yes. Yes.

Senator BOOZMAN. It is such a huge, huge issue, a big expense, and just, you know, a gigantic project that is so, so very important. I know the budget requests \$2.7 billion for fiscal year 2022, I understand there the review will reshape the program significantly in every facet and, again, its financial needs. The House is going to begin marking up their version of this bill on Friday without the benefits of the results of the strategic review.

So, I know you can't go into it, you know, in the sense that it is not done, but can you just, kind of tell us how it is going and when we can expect the information to come out?

Secretary MCDONOUGH. Yeah.

Senator BOOZMAN. And the deployments.

Secretary MCDONOUGH. We don't anticipate changing the budget request, the shape of it may change, but the numbers themselves will not change as a result. You know, I am tempted to try to say: it will be reduced over time, but I am not, I am not going to say that.

Senator BOOZMAN. Sure.

Secretary MCDONOUGH. But hopefully we can do that. We have identified that—we believe that the technology, basically, is sound. We think that we probably undervalued and underinvested in training and support to our team in the field. And as they are going through the change of this process, we also, I think, have identified some structural inefficiencies in headquarters in how we govern the project, so that—we will be changing that, too.

We have not—the big question is, when we go to a next site to deploy the system and the next site, under current—under previous course and speed, we would be going next to Columbus, Ohio, in

fairly short order. That decision, I have not yet made that, but that is a threshold decision. I anticipate making all those decisions and talking to you about the full shape of this by the middle of next week, by the 30th.

We owe you some answers, as you laid out in your opening statement, pursuant to statute from last year. We are going to live up to that and make sure that we get you the information you need immediately on the 30th, but we will maintain a very fluid conversation with you on this.

The last thing I would just say is, one of the reasons I really want our deputy who is, you know, still pending here, confirmed is, he is the person who will be overseeing this, given both the traditional, the deputy in our Department, and the statutory requirements that he personally oversee the budget. I would love to get him down there soon, so he and I can spend some time over the weekend, making sure that we are on the same page before we submit all this paperwork to you on Wednesday.

Senator BOOZMAN. Good. We appreciate that. And again, you know, the committee is very, very supportive of the project and understands how important it is. I think I can speak for all of us. And so, like I say, all of this is an effort to help you, you know, push forward and, you know, we certainly will do that any way we can.

So thank you, Mr. Chairman.

Senator HEINRICH. No, thank you. And thanks to Secretary McDonough, and Mr. Rychalski, and all of our senators for participating in today's hearing. I think we all look forward to working together to make sure we provide the resources for the VA to be able to do its job, and do its job at the best possible quality.

#### ADDITIONAL COMMITTEE QUESTIONS

Finally, I will keep the hearing record open for a week. Any committee members who would like to submit written questions for the record should do so by 5:00 p.m., Wednesday, June the 30th. And we very much appreciate the Department responding to them in a reasonable period of time.

Secretary MCDONOUGH. Thank you very much.

#### QUESTIONS SUBMITTED BY SENATOR MARTIN HEINRICH

*Question.* The Department, and particularly the Veterans Health Administration, has struggled to address workforce vacancies. VA used administrative flexibilities and supplemental appropriations to hire staff, which VHA plans to maintain through FY 2023 with base funding.

What is VA's personnel strategy to address clinical vacancies?

*Answer.* As the Nation's largest integrated health care delivery system, the Veterans Health Administration's (VHA) workforce challenges mirror those of the private health care industry. Demand for clinical staff in all health care sectors exceeds the supply of appropriately-trained health care professionals to meet projected Nation-wide health care needs. VHA's strategy is to prioritize clinical vacancies as they arise and use all the flexibilities authorized for recruitment and retention to attract top talent, including direct and non-competitive hiring authorities, competitive pay-setting, recruitment and retention incentives, and education loan repayment and scholarships. VA also utilizes a host of marketing efforts, including participation in recruiting events, award-winning digital and social media marketing campaigns and trainee recruitment events to transition VA Health Professions Trainees to permanent employment.

At the end of fiscal year (FY) 2020, VA conducted a position validation review resulting in a reduction of vacant positions by more than 41%. As of March 31, 2021,

there were 32,647 vacant total Full Time Equivalents (FTE).<sup>1</sup> Of those, 16,965 were clinical vacancies in VHA. It is important to note that these vacancies do not represent staffing gaps or shortages, nor do they represent the true unfunded need of the organization or the number of positions that could possibly be filled at any given time; instead, they reflect the constantly-occurring turnover of employees in the organization and funded levels of growth in FTE. For example, in response to the Coronavirus Disease 2019 (COVID-19) pandemic, clinical occupations in VHA grew by 4.2% in FY 2020 and have continued to grow by another 1.2% in FY 2021 through March 31, 2021, reflecting a total net increase of more than 12,600 additional clinical staff since the end of FY 2019.

*Question.* How does VA plan to recruit, retain, and train staff in regions where they are needed the most, including rural areas?

*Answer.* VA has taken great steps to increase access to care for rural Veterans. The workforce shortage occupations for rural VA facilities are comparable to those of non-rural VA facilities. The 2019 All Employee Survey found no difference in responses for job satisfaction and burnout between employees at rural and non-rural facilities. The Office of Rural Health (ORH) and its partners in clinical program offices, Workforce Management and Consulting Office and the Office of Academic Affiliations (OAA) have created a number of initiatives designed to expand the rural workforce and to provide training to keep providers in rural health care. These initiatives include:

- Rural Health Training Initiative provides rural clinical training sites for health professions students and clinical residents. Trainees include social workers, nurse practitioners, pharmacists, psychiatrists, optometry students and dental and family medicine residents. The focus is on training professionals at rural sites with the goal of recruiting graduates to rural-serving VA facilities.
- Rural Interprofessional Faculty Development Initiative provides training for residency proctors, enabling them to train, mentor and monitor residents serving rural areas. Participants who become professional faculty for academic partners have highly regarded this professional development program. This evidence-based program impacts job satisfaction for participants, educates trainees in the nuances of rural health care and expands the workforce in participating VA medical centers. In all, this program has provided training for more than 256 new faculty to date. ORH and OAA are working on expanding the program, creating a new cohort in FY 2022.
- ORH Rural Scholars Fellowship Program provides professional development opportunities for rural VA providers to develop the skills and knowledge needed to lead innovation in rural health care delivery, and ultimately improve recruitment and retention of VA providers in rural facilities serving primary care. This program allows providers to stay onsite in their rural facilities and conduct research and process improvement projects while receiving virtual mentoring from recognized experts.
- Rural Health Career Development Award Program supports early investigators in developing a research program focused on issues of relevance to rural Veterans and their health care. This award provides protected time, research funding and methodologic guidance to help recipients develop an innovative program of research in rural Veterans' health and help support their overall career development as an independently-funded investigator.
- Geriatric Scholars Program addresses the shortage of specialized geriatric skills and knowledge in rural VA clinical settings by training VA general clinicians in the treatment of older rural Veterans.
- Simulation Learning, Education and Research Network Rural Coordinators develop simulation-based training infrastructure to improve rural clinicians' technical skills without leaving their home clinic.
- Geriatric Research Education and Clinical Center Connect Program trains VA providers to manage medically-complex cases through case-based conferences, electronic consultations, virtual meetings and clinical video telehealth.
- Extension for Community Health Outcomes (ECHO) programs provide training to VA and some non-VA rural providers in a variety of different areas. Rural participant satisfaction data indicate that this professional exchange of knowledge results in greater job satisfaction among participants. ORH currently partners on three ECHO programs across VHA, including:

<sup>1</sup>This count does not include more than 20,000 FTEs that are undergoing a position validation review.

- VA–ECHO Expansion in Specialty Care uses telehealth to train providers in a wide variety of specialties, including treatment for chronic kidney disease, hepatitis C and pain management.
- National Mental Health and Suicide Prevention ECHO connects rural providers to national mental specialists for regular discussion of clinical cases and targeted skill-building training on suicide prevention and substance use disorder treatment.
- COVID–19 VA ECHO focuses on COVID–19 care for patient care providers from all disciplines in inpatient, outpatient and residential care settings (also open to community providers).

*Question.* After making tremendous progress in reducing the claims backlog, it increased significantly over the past year due to the pandemic, including challenges in completing medical exams and accessing service records, and the inclusion of presumptive eligibility for three conditions related to Agent Orange Exposures. The Budget requests funding for an additional 429 FTE to address the increase in claims.

What lessons from addressing the Blue Water Navy claims is VA applying to the current workload?

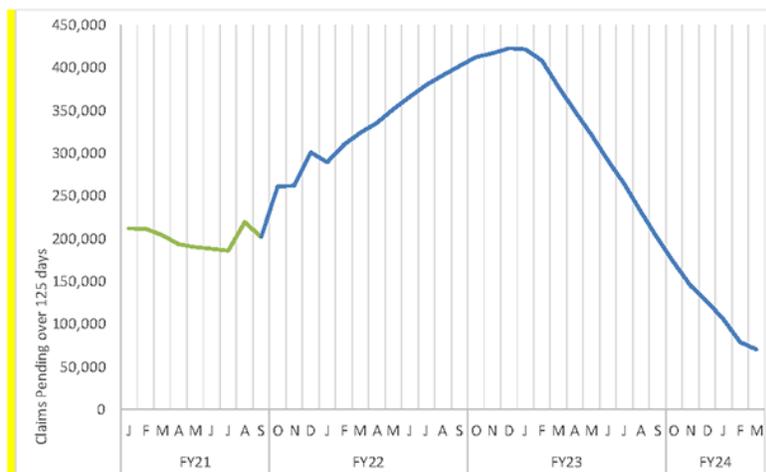
*Answer.* VA recognizes the criticality of a robust and timely evidence supply chain to support qualifying service review, which is evident in the reviews of Blue Water Navy claims. VA has aggressive plans to digitize personnel and medical records supporting benefits determinations before a Veteran or survivor even files a claim. Congress provided VA with \$150 million in the American Rescue Plan (ARP) Act of 2021 to proactively scan National Personnel Records Center records. VA and the National Archives and Records Administration (NARA) are collaborating to build an on-site scanning capability for this effort. VA will provide digital copies of all scanned records to NARA to help expedite future requests for records.

*Question.* How long will it take VA to work through the backlog and return to a normal claims workload?

*Answer.* The disability compensation claims backlog is impacted by two large claim groups. In April 2021, VA established more than 60,000 claims for review pursuant to the Nehmer court order and claims remaining in the inventory from this group aged into backlog status, resulting in more than 42,000 claims entering the backlog in August 2021. In June 2021, VA also established approximately 70,000 claims for review for three new disabilities presumptively linked to Agent Orange Exposure by the National Defense Authorization Act, and any unprocessed claims from this group were added to the current backlog as of the end of October 2021. As of November 4, 2021, there were 260,510 rating claims in the backlog.

Increased receipts, fueled by the expansion of presumptive benefits for Gulf War Veterans (which VA began processing in August 2021) and typical annual receipt growth, will further impact backlog reduction. To mitigate backlog growth, VA is leveraging ARP grants to fund overtime to ensure timely claims processing, as well as aggressively hiring nearly 2,000 claims processors during FY 2022. Assuming continued improvement of the Veterans Benefits Administration's (VBA) evidence supply chain (Compensation & Pension examinations and Federal records), VA plans to reduce the current claims backlog to 100,000 claims by mid-FY 2024.

Any additional expansion in presumptive benefits, without commensurate resource increases in FTE, technology and other process improvement funding, as well as time to implement such changes, will increase the current claims backlog further and reduce timely claims decisions for all Veterans.



*Question.* How many claims raters will be needed if toxic exposure legislation currently under consideration in the Senate is passed?

*Answer.* As part of VA's enhanced technical assistance for the Comprehensive and Overdue Support for Troops (COST) of War Act of 2021, VBA has identified a need for 9,871 FTE in the first year and an average of approximately 8,000 FTE over 10 years, after passage. VA provided this estimate to the United States Senate on July 30, 2021.

*Question.* VA provides for direct health care for tribal veterans through partnerships with the Indian Health Service and Tribal Health Programs, as well as through VA facilities. As veterans may need to go to different facilities for different types of services, coordination of care can be challenging. How does VA plan to improve access to care for veterans who live in Indian Country, including coordination of care with non-VA providers?

*Answer.* VA operates the Indian Health Service/Tribal Health Programs (IHS/THP) Reimbursement Agreements Program (RAP) which improves access to care by reimbursing IHS/THP facilities for direct care provided to Veterans. To improve care coordination for Veterans who need services beyond what IHS/THP facilities directly provide and are referred back to VA, VA established the Healthcare Coordination Advisory Board to assist in developing a standardized care coordination process. Details of the approach can be found on the IHS/THP RAP website under the Care Coordination section. VA has made progress in implementing key elements of this effort. VA successfully partnered with IHS and THP facilities to expand reimbursement coverage to include telehealth through a modification signed by IHS and distributed to tribes in late September/early October 2020. VA is currently developing and implementing the Community Provider Orders/Standardized Request for Service Process, a Nation-wide effort to improve care coordination between community providers (including IHS/THP providers) and VA. This process and accompanying tools allow for community providers to electronically send referrals back to VA. Upon receipt of referrals, VA staff will then be able to coordinate the care needed by the Veteran—either in a VA facility or by a community provider through VA's Community Care Network. VA is sharing information about this process during training sessions with IHS/THP held as of July 2021 to understand their interest in using this approach.

*Question.* About half of the States have veterans living in highly rural areas, and main obstacles to veterans in these areas obtaining VA health care is distance and transportation. VA's Highly Rural Transportation Grant Program, which was funded at less than \$3.0 million in FY 2021, is one tool to improve these Veterans access to care. How does VA determine the demand for this program, and whether the Department is meeting the demand?

*Answer.* VA establishes Highly-Rural Transportation Grant Program demand through a grant request process by issuing an annual Notice of Funding Availability (NOFA) letter. Eligible Veterans Service Organizations and state Veterans agencies

are responsible for submitting grant requests. Demand for the program is gauged by the number of requests received in response to the annual NOFA, and future budget funding levels are informed by previous years' program demand balanced against total funds available for competing priorities.

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QUESTIONS SUBMITTED BY SENATOR BRIAN SCHATZ

VA TELEHEALTH

*Question.* Does VA's ability to make permanent any of the telehealth policies that it adopted during the COVID-19 pandemic rely on the current federal public health declaration?

*Answer.* During the Coronavirus Disease 2019-declared public health emergency, VA providers are authorized to prescribe controlled substances following an audiovisual assessment of a Veteran using telehealth technologies in the home. Once the public health declaration is rescinded, VA will lose this authority. VA has advocated for this authority to become permanent through a special registration for telemedicine from the Drug Enforcement Administration. A special registration for telemedicine is already authorized under Federal law in the Controlled Substances Act but has not yet been established (21 U.S.C. § 831(h)).

*Question.* What structural changes does VA need to make so that it can institutionalize and expand on the telehealth policies and services that it adopted during the COVID-19 pandemic, including with respect to the following:

- Changes to the policies related to VA's electronic medical record and appointment referral system;
- Changes to the way VA contracts for community care;
- Changes to the way VA contracts for internal medical care;
- Changes to the way that VA provides pay retention or other incentives to internal health care physicians and staff;
- Changes to the way VA establishes standard of care models for its patients;
- Changes to the equipment and training that VA providers need to deliver care through telehealth; and
- Changes to the way VA ensures veterans have the ability to acquire tablets or other devices to access telehealth care.

*Answer.* The Veterans Health Administration's (VHA) Connected Care Strategic Vision builds on VA's strong foundation in virtual care delivery and will contribute significantly to enhancing the exceptional care that VHA already delivers. Solidifying connected care foundations is one of three goals in the strategic vision.

Connected care foundations are the policies, legal authorities, technical infrastructure, equipment and processes on top of which connected care services operate. Key foundational goals have already been achieved as part of VA's ongoing Anywhere to Anywhere telehealth initiative, begun in 2017. These include license portability under Federal law for VA health care professionals (VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018, P.L. 115-182) and for health professions trainees and other qualified health care professionals (National Defense Authorization Act of 2021, P.L. 116-283). These also include modernization of bandwidth infrastructure at community-based outpatient clinics, development of a standard platform for telehealth delivery to Veteran homes (i.e., VA Video Connect), a system to efficiently grant providers access to one or multiple facility medical records, a systematic process to help Veterans overcome the digital divide and publication of VA policy for cross-facility clinical resource sharing and telework-telehealth.

As part of its next phase of solidifying connected care foundations, VA is focused on:

- Integrating VA Video Connect scheduling into its front-line Veterans Health Information Systems and Technology Architecture scheduling application and increasing appointment flexibility;
- Establishing policy authorizing national health care professional telehealth privileging;
- Enhancing cross-facility scheduling applications to facilitate additional clinical resource sharing from telehealth hubs;
- Resolving legal barriers to controlled substance prescribing including for substance abuse treatment;

- Developing a certification program for telehealth support staff inside and outside VA;
- Enhancing accessibility options in telehealth applications;
- Integrating required components of VA connected care into Cerner;
- Developing systems to support provider collaboration across facilities;
- Adding options to assist Veterans with overcoming the digital divide; and
- Modernizing and simplifying telehealth equipment.

As part of its efforts to modernize care delivery, all options to enhance VA's connected care foundations, and therefore VA services, are being considered. While VA has not yet identified the need for specific changes to community care policy, provider pay incentives, standards of care or changes to the way Veterans obtain tablets from VA, these could become future focus areas.

*Question.* Does VA require any new statutory authority to make any of the structural changes identified above?

*Answer.* Legislative changes are needed to resolve barriers to controlled substance prescribing, including for substance abuse treatment. VA would appreciate engagement with Congress regarding authorities for prescribing controlled substance(s) via telehealth.

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#### QUESTIONS SUBMITTED BY SENATOR JOHN BOOZMAN

*Question.* Since Congress passed the 21st Century IDEA [Integrated Digital Experience Act], the nature of how individuals engage with government has fundamentally changed—in large part because of the coronavirus pandemic. These changes underscore an even stronger need to implement the 21st Century IDEA and allow federal agencies to deliver an excellent customer experience from anywhere, to anyone, on any device.

Has the Department of Veterans Affairs fully implemented the 21st Century IDEA Act (Public Law No: 115–336)?

*Answer.* The breadth of services, transactions and content available to Veterans on VA.gov is extremely large, and despite not fully implementing the 21st Century Integrated Digital Experience Act (IDEA), we have made great progress. VA has been working to modernize and consolidate various tools into an enterprise-wide self-service platform accessible from a single place: VA.gov. The new VA.gov launched in November 2018, and it now serves as the primary front door to VA.

The site-wide navigation, on VA.gov web pages, allows users to sign in or search VA.gov, and just below that on the homepage are the top tasks Veterans told VA are the most important to them—representing over 80% of the tasks users visited VA.gov to accomplish. The modernized pages are all compliant with section 508 of the Americans with Disabilities Act. Since relaunch, the Customer Satisfaction Score for all VA.gov websites (including both modernized and legacy pages) rose from 52.9% to 67.9 % (a 28% increase).

In order to continue to align VA's digital experience with our users' expectations—and to meet the goals put forth by the 21st Century IDEA—VA has placed a major focus on modernizing our digital experience. Our Agency digital strategy has three primary goals: 1) increase the use of self-service tools; 2) enable faster access to care and more timely delivery of services; and 3) improve customer experience and reliability on VA's online services. VA has continued to make progress on these goals throughout 2021, even as we continue to create new digital experience capabilities to support VA's Coronavirus Disease 2019 pandemic response that began in March 2020.

*Question.* What barriers has the VA faced in implementing this law and modernizing its digital services?

*Answer.* The process to modernize VA's inventory of forms and digital services is driven by the demands and priorities of the Office of Information and Technology's business partners. The Department provides hundreds of benefits, with forms to enable Veterans to apply for each and in many cases, online tools to help track and manage both the application as well as the benefit itself.

*Question.* The final FY21 MilConVA Appropriations bill included report language and funding direction for the VA to implement Section 4 of PL 115–336 “21st Century IDEA,” which required that no later than two years after the date of enactment, each executive agency was required to digitize and ensure any paper-based form was made available to the public in a fully usable mobile friendly option.

Who is responsible inside VA for ensuring the agency fully implements PL 115–336?

*Answer.* The Digital Experience product line, within the Office of the Chief Technology Officer, is charged with executing VA's Digital Modernization Strategy. This includes initial and ongoing efforts to implement the 21st Century IDEA.

*Question.* Where does the VA stand in ensuring its forms can be filled out and submitted electronically on all common, digital devices?

*Answer.* Currently, there are approximately 500 public-facing forms available on VA's web properties. This number varies as forms are added, removed or expire. Additionally, many VA medical centers create and manage their own forms in a decentralized fashion, adding to and/or subtracting from that overall total. All public-facing customer VA forms are currently accessible online as fillable Portable Document File forms. Those can be completed digitally, printed and then submitted to VA by mail, fax or in-person. Approximately 20 of VA's most used forms can be completed and submitted through an online wizard. These comprise about 350,000 submissions per month. All of VA's digital online experiences are compliant with section 508 and conform to both the Privacy Act and the Paperwork Reduction Act. VA is working to ensure that all digitized forms meet these standards.

VA is also working to identify and prioritize the digitization of paper forms and non-digital services that are highly utilized by Veterans. On VA.gov today, over 40% of traffic comes from mobile users, so introducing new forms and services that are secure and mobile-responsive will not only allow us to better connect with our users and have a greater impact on their lives, but it will also help VA achieve cost savings and workflow efficiencies.

*Question.* For more than ten years, VA has successfully provided timely access to high quality dialysis services through community providers under the Nationwide Dialysis Services contracts when VA cannot directly provide such care. What factors have changed to trigger consideration of changing contracts which has been successful in providing care to these vulnerable veterans?

*Answer.* VA's Office of Community Care implemented the next generation of Veteran Community Care in fiscal year 2020 with the Community Care Network (CCN) roll out. As of today, CCN is operational across the United States and will soon be operational in the Outer Pacific Islands. With this implementation, previous Community Care contracts began to sunset. The National Dialysis Services Contract (NDSC), which had been VA's previous community Dialysis Program, also began the sunset process for some contracts. However, nine NDSC contracts will be renewed for another year. NDSC was a successful program, but it did not encompass the full spectrum of dialysis care—for example, nephrologist oversight and Acute Kidney Injury (AKI) were not covered. Under the new CCN contracts, End Stage Renal Disease, nephrologist oversight and AKI can be managed by the same Contractor's in-network provider base.

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QUESTIONS SUBMITTED BY QUESTIONS SENATOR MITCH MCCONNELL

LOUISVILLE VA MEDICAL CENTER (VAMC)

*Question.* As you know, Kentucky veterans have been waiting for a new VA medical facility in Louisville since 2006. Please provide an update on the new Robley Rex Louisville VAMC, including the expected timeline for construction and when the hospital will begin serving the region's veterans.

*Answer.* On August 17, 2021, the United States Army Corps of Engineers awarded the base construction contract to Walsh Turner Joint Venture II (located in Chicago, Illinois) for construction of the new Robley Rex Louisville VA Medical Center. At this time, construction completion is scheduled for winter 2025, with the Beneficial Occupancy Date of winter 2026.

*Question.* The VA's budget includes an additional \$93 million for this project to address increased costs stemming from project delays. Please provide an explanation of these costs, as well as the potential for additional funding needed to complete the project.

*Answer.* Of the budgeted \$93 million requested for fiscal year (FY) 2022, \$51 million is for cost escalation associated with a 2-year solicitation delay (at approximately 3.8% per year) due to the lawsuit by the Crossgate community over VA's compliance with the National Environmental Policy Act. VA prevailed in spring 2021. The remaining \$42 million of the \$93 million is for cost escalation and additional contingency funds associated with executing contract options that will not be awarded for 12–18 months after the base contract award.

*Question.* Can you please detail how the new Louisville VAMC will be specifically equipped to provide state-of-the-art health services to female veterans?

*Answer.* To specifically address the needs of our women Veterans, the new hospital will include a Women's Health Clinic with four Patient Aligned Care Teams (PACT). The clinic will include a dedicated reception and waiting area, gynecology examination rooms with private restrooms, general examination rooms, telehealth examination rooms, PharmD consultation/examination, behavioral health consultation, nutritional consultation, phlebotomy laboratory, procedure room with a private restroom and an imaging suite. The imaging suite will include equipment for comprehensive women's health care including Ultrasound, Bone Densitometry and Mammography. In addition, the Women's Health Clinic will have dedicated support space for all assigned staff. For cases in which a woman Veteran would like to see a provider not specifically assigned to the Women's Health Clinic, all other PACT modules include gynecology examination rooms with private restrooms.

#### RURAL HEALTH

*Question.* Will you provide information on the VA's plans to improve access to health care for Kentucky's rural veterans?

*Answer.* The Office of Rural Health, in collaboration with other VA program offices, plans to maximize high-quality virtual care options for Kentucky's rural Veterans by continuing its efforts to increase access to health care by providing opportunities for the delivery of health care services to rural Veterans through funding the following initiatives: Telehealth Clinical Resource Hubs, Pharmacist Providers for Rural Veterans with Opioid Use Disorder, VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act Emergency Room Specialty Care Scribe Program, Women Veteran Care Coordination and Management Program, Veteran Transportation Services and Telehealth Equipment Modernization efforts, all delivered via telehealth, in-home or in-clinic. VA will continue to expand our telehealth partnerships with community partners and create strong partnerships to utilize available facilities and resources to better serve rural Veterans, their families and the communities where they live. Additionally, VA's Community Care Network will provide a direct link with community providers when needed that will ensure VA provides the right care, at the right time, to Veterans.

*Question.* What are the VA's plans to expand telehealth options for rural veterans who lack reliable access to the internet?

*Answer.* VA has established a 5-year strategic vision for connected care which will enhance Veteran digital engagement, deliver health care without walls, sustain and increase capacity in rural and highly rural locations and solidify VA's connected care foundations. The strategy includes initiatives that will enhance the accessibility of VA health care in rural areas by delivering enhanced video telehealth care in the home using VA Video Connect and VA-provided examination peripherals (e.g., digital stethoscopes, blood pressure cuffs, pulse oximeters, thermometers, etc.). The strategy also includes continued focus on expanding the capacity of VA services in rural and underserved areas by distributing clinical resources using telehealth through clinical resource hubs and other virtual health care delivery initiatives. Services that will be distributed include inpatient services such as tele-critical care; high-volume outpatient services such as primary care and mental health; and low volume, highly-specialized services such as stroke neurology. Additionally, the strategy supports expanding remote patient monitoring capabilities, allowing rural and highly-rural Veterans to attentively monitor and manage chronic health conditions, in partnership with VA, from their homes.

As part of its vision to deliver trusted VA care, anytime and anywhere, VA will continue efforts to bridge the digital divide for Veterans who lack the technology or broadband internet connectivity required to participate in VA telehealth services irrespective of their location in the country. Central to this effort, VA has implemented a national digital divide consult process in the electronic medical record. Through this process, qualifying Veterans can obtain an internet-connected device from VA or assistance in applying for Federal Communications Commission (FCC)-administered internet subsidies. The FCC subsidies are available through the Lifeline and Emergency Broadband Benefit (EBB) programs. The Lifeline and EBB programs can combine to provide many qualifying Veterans up to \$59.25 per month for their internet services. Veterans on tribal lands can receive up to \$109.25 through these programs. VA has completed over 49,500 digital divide consultations since the beginning of FY 2021 and has distributed more than 84,000 internet connected tablets since the start of the pandemic. Additionally, VA has worked with major wireless carriers such as Verizon, T-Mobile, SafeLink by Tracfone and AT&T to support Veterans' access to VA telehealth services through Zero Rating the telehealth plat-

form VA uses to deliver telehealth to the home. Zero Rating this platform allows Veterans, their families and caregivers to use VA Video Connect with fewer worries about data fees.

VA will also continue enhancing existing telehealth infrastructure at community-based clinics serving rural and highly-rural parts of the country. Clinical video telehealth visits, with full remote examination capabilities, allow Veterans to receive specialty care services at their closest clinic, even if the specialist is elsewhere in the VA system. This supports care in rural areas, even where affordable broadband is not readily available in the community.

VA is also evaluating the opportunity to leverage community-based telehealth access points through its Accessing Telehealth through Local Area Stations (ATLAS) pilot program. ATLAS is a pilot designed to bridge the digital divide and reach rural and underserved Veterans in areas with limited access to broadband and health care. Through this initiative, VA is teaming up with Philips, Walmart, Veterans of Foreign Wars and The American Legion to provide convenient locations within Veterans' communities equipped with the broadband and telehealth technology necessary to access VA health care. Walmart has provided space within their health services room as well as equipment, while Philips designed unique and private spaces equipped with state-of-the-art telehealth equipment within Veterans Service Organizations. VA currently has 12 ATLAS locations nationally that are open and available for scheduling. By the end of 2021, it is anticipated that a total of 13 ATLAS sites will offer clinical services by telehealth from VA providers.

#### MENTAL HEALTH

*Question.* Will you provide an update on the VA's efforts to improve veterans' access to mental health care services, including through the implementation of the President's Roadmap to Empower Veterans and End a National Tragedy of Suicide (PREVENTS) and the Commander John Scott Hannon Veterans Mental Health Care Improvement Act (P.L. 116-171)?

*Answer.* The Veteran Wellness, Empowerment and Suicide Prevention Task Force under the President's Roadmap to Empower Veterans and End a National Tragedy of Suicide (PREVENTS) Task Force was formed as a result of Executive Order 13861, signed on March 5, 2019, with a call to action to amplify and accelerate the progress in addressing Veteran suicide in the United States. On June 17, 2020, the Task Force released PREVENTS, which contains recommendations for a federally-coordinated national public health strategy to address Veteran suicide.

In FY 2021, the PREVENTS national public health campaign called Reach, Engage, Attend, Connect, Help (REACH), has garnered approximately 5.7 billion impressions since it was launched in July 2020. The REACH website, <https://www.reach.gov>, has been visited more than 12 million times and PREVENTS-produced public service announcements have had nearly 1.3 million views. In March 2021, PREVENTS launched the How We R.E.A.C.H. Coaching Tool to teach people how to "reach out" to help someone in need. In 1 month, the Coaching Tool was downloaded more than 1,600 times and its accompanying application nearly 900 times. More than 16,000 individuals signed an online pledge to help increase awareness of mental health challenges and suicide prevention practices. These efforts demonstrate the efficacy of PREVENTS contributions to VA's collective efforts to improve Veterans' access to mental health care services.

Paid media is a critical component of any national public health campaign. In FY 2021, paid media was implemented through a variety of media platforms, including social media, television, radio, digital content (such as news websites) and online media streaming services (e.g., Pandora and Spotify). Paid media also included running public service announcements in communities that have had high rates of Veteran suicide, and during programming that is watched, listened to or visited by targeted audiences as well as during events or activities attended by Veterans (e.g., the Army/Navy football game). In FY 2022, PREVENTS communications will continue to target Veterans at risk for suicide and people in their communities to get them the resources they need to prevent suicide with a goal of decreasing risk factors and increasing prevention factors, particularly lethal means safety. VA will also be evaluating the campaign to see what is effective in driving exposure, awareness and engagement, and we will adjust efforts as needed. All of this will be done in coordination with other VA suicide prevention initiatives and programs to ensure public health campaign communications are appropriately aligned and research is informed. VA will also collaborate with others to carry the public health campaign message forward when the PREVENTS Task Force terminates on June 17, 2022.

Implementation of the Commander John Scott Hannon Veterans Mental Health Care Improvement Act (P.L. 116-171) continues to move forward. Prior to the Presi-

dent signing the legislation into law, VA established a team within the Office of Mental Health and Suicide Prevention to oversee implementation. Each section was assigned a primary Point of Contact who is responsible for ensuring all actions in that section are completed. All Congressionally-mandated reports due to date have been submitted on time. A series of White Papers on each section, along with responses to any questions or concerns needing clarification from Congress, have been provided to the staff of the House Committee on Veterans' Affairs (HVAC) and Senate Committee on Veterans' Affairs (SVAC). VA continues to brief HVAC and SVAC on a regular basis (last briefings were completed July 1 and July 6, respectively). Development and implementation of the Staff Sergeant Parker Gordon Fox Suicide Grant Program (section 201) and the Readjustment Counseling Service Scholarship Program (section 502) continue to make exceptional progress. Regarding section 502, the proposed regulation has been reviewed and approved by VA's Office of General Counsel (OGC). The Office Management and Budget (OMB) has determined that the Secretary can sign the proposed rule for publication in the Federal Register without full OMB review, which is anticipated to result in expediting the scholarship award cycle.

#### TOXIC EXPOSURES

*Question.* I have heard from Kentucky veterans who were exposed to contaminated water while stationed at Marine Corps Base Camp Lejeune between 1953 and 1987. What steps has the VA taken to provide resources and information on benefit eligibility to veterans and their family members who may suffer from medical conditions caused by toxic exposure at Camp Lejeune?

*Answer.* On March 14, 2017, VA effectuated 38 C.F.R. § 3.307(a)(7) to address the presumption of service connection for certain conditions associated with exposure to contaminants in the water supply at Camp Lejeune. The rule allows Service members with records demonstrating no less than 30 days of service (either consecutive or cumulative) at Camp Lejeune during the specified timeframe, and who have been diagnosed with any of the eight presumptive diseases, to be presumed to have a service-connected disability for purposes of entitlement to VA benefits. The rule applies to all military Active Duty, Reserve and National Guard personnel who meet the requirements of the regulation. To address community concerns and provide information, VA has held joint community meetings, partnering with the Department of Defense (DoD), on Camp Lejeune. Further, VA provides resources and information to the public regarding benefit eligibility through its website at Camp Lejeune water contamination health issues. Veterans and survivors may also call the benefits toll-free hotline at 1-800-827-1000 to speak directly with a VA employee, who may assist with benefit eligibility questions.

The Agency for Toxic Substances and Disease Registry held Community Assistance Panel (CAP) meetings for 15 years. These quarterly meetings included large public meetings and CAP board member meetings, and VA attended these meetings. These meetings were online and in person, as they were held before the onset of the Coronavirus Disease 2019 (COVID-19) pandemic. VA discussed the programs available for both Veterans and family members. VA answered an average of 200 individual questions for these meetings. VA placed posters (electronic and/or paper when available) in VA medical centers and clinics. VA prepared and conducted training regarding Camp Lejeune exposures for its health care providers and Compensation and Pension examiners. This was also available to civilian providers via a platform called the TrainingFinder Real-time Affiliate Integrated Network, or better known as TRAIN. VA newsletters have featured articles about Camp Lejeune and benefits available to Veterans and family members.

If one searches the term Camp Lejeune programs online, the first items to appear are VA's Public Health website at <https://www.publichealth.va.gov/exposures/camp-lejeune/index.asp>, which covers Camp Lejeune questions and offers resources. VA's Community Care website also offers information regarding Camp Lejeune at: <https://www.va.gov/COMMUNITYCARE/programs/dependents/CLFMP.asp>. There are many civilian, advocacy and law firm websites that reiterate VA benefits when searched. VA coordinates with DoD mailings to those on the DoD Camp Lejeune rosters about VA benefits. DoD has also placed full-page advertisements in newspapers across the country to discuss the benefits available.

*Question.* What statutory limitations, if any, prevent the VA from efficiently accessing the Department of Defense records needed to provide benefits or establish service connections for diseases related to toxic exposures, both at Camp Lejeune and elsewhere?

*Answer.* 38 U.S.C. § 320 codified the VA-DoD Joint Executive Committee, which is, in part, tasked with providing recommendations to both Secretaries about the

strategic direction for the joint coordination and sharing efforts between and within the two Departments.

DoD and VA have worked together extensively since at least 2011 on exposure-related issues. Regarding Camp Lejeune drinking water contamination, the United States Marine Corps supported VA by providing computerization of millions of personnel and housing records of Veterans. Other efforts include the development of the Individual Longitudinal Exposure Record (ILER), a web-based application that will reference multiple data sources to create the exposure record for Service members. ILER will provide medical providers with an available exposure record, support VA claims processing for claims due to in-service environmental exposures and have other functions and benefits.

*Question.* Veterans dealing with health conditions due to service-related toxic exposures need timely access to life-saving VA benefits. Once scientific research has identified a connection between a disease and a toxic exposure, what steps does the VA take to ensure decisions regarding service connections are made and implemented quickly?

*Answer.* Once rulemaking is complete, VA will develop procedures and training curriculum to deploy to claims processors, as well as make any required system updates to allow for processing of the condition(s). This will include any needed updates to the Veterans Benefits Management System. The scope of training will be dependent on the number of impacted Veterans and scale of expected receipts; therefore, training may be deployed to a subset of claims processors at a limited number of sites or to all claims processors. Additionally, for efforts with larger numbers of expected receipts, VA is likely to request additional resources in future budgets or supplemental requests to ensure timely claims processing.

#### VETERAN HOMELESSNESS

*Question.* Will you provide an update on the permanent supportive housing project in Lexington, Kentucky, which became operational in fiscal year 2020? How many veterans are currently being served through this enhanced-use lease project?

*Answer.* The Victory Point Apartments and Townhomes supportive housing enhanced use lease project in Lexington, Kentucky, received its first Certificate of Occupancy on May 6, 2020. The 50 units of permanent supportive housing currently have 26 Veteran and 24 non-Veteran residents.

*Question.* Will you provide an update on how the VA is meeting the specific needs of female veterans who are homeless or at risk of homelessness?

*Answer.* The national VA Homeless Program Office (HPO) provides a full spectrum of services designed to meet the unique needs of all Veterans, including women Veterans who are at-risk of or who are experiencing homelessness. These services include clinical outreach, treatment, transitional housing, supportive services and permanent housing. VA's efforts are enhanced by harnessing the strength of community providers in coordination with VA health care and benefits. In FY 2020, including all homeless services provided under HPO, over 32,700 unique women Veterans were served. In 2021, HPO conducted an analysis to identify potential gaps in services provided by VA homeless programs for women Veterans experiencing or who are at-risk for homelessness. Results from this analysis show that there are no significant gaps in service delivery, outcomes and Veteran satisfaction, and to the extent possible, VA is meeting the needs of homeless and at-risk women Veterans.<sup>2</sup> Additionally, the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 (P.L. 116-315) provides VA homeless programs with flexibilities to address identified gaps, as detailed in the summary below.

Population Comparison: As of FY 2020, women Veterans represented 8.4% of the overall homeless Veteran population and 38.5% of women in the general homeless population. Since 2017, the number of homeless women Veterans decreased, while the number of homeless women in the general homeless population increased. Women were equally represented among the Veteran population (8.9%) and the homeless Veteran population (8.7%); however, women Veterans comprised 11.5% of all Veterans served by VA homeless programs. These data demonstrate that VA homeless programs successfully reach women Veterans experiencing or who are at-risk for homelessness and are providing services designed to resolve their housing needs.

<sup>2</sup>A detailed review of data for corresponding findings will be provided in a Congressionally Mandated Report (CMR) titled "Gap Analysis of Department of Veterans Affairs Programs that provide assistance to women Veterans who are homeless." The CMR is currently in concurrence for clearance and pending submission to Congress.

Homeless and At-Risk Veterans Served by VA Homeless Programs: A demographic overview shows VA homeless programs provide a wide variety of services to meet the diverse needs of the homeless population. This analysis identified gender gaps in service engagement, which are attributed to the often unique service needs and family composition of women Veterans. Specifically, homeless and at-risk women Veterans are more likely than men Veterans to have children in their custody and require additional services and resources to accommodate dependents. Additionally, many congregate living settings, like VA's residential treatment programs, are mostly populated by men, with women as the extreme minority. These congregate settings have limited designated space available for women, such as separate living and bathroom facilities. Traditionally, women Veterans are more likely to utilize services that provide independent housing options such as housing subsidies for an apartment/house or temporary shelter in a private hotel. As a result, women Veterans have a higher rate of admission to the Department of Housing and Urban Development-VA Supportive Housing (HUD-VASH), Supportive Services for Veteran Families (SSVF) Prevention and SSVF Rapid Re-housing (RRH) programs than to programs more congregate in nature. VA's residential treatment Grant and Per Diem (GPD) program serves approximately 50% less women Veterans than HUD-VASH, SSVF or RRH. It should be noted that the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 (P.L. 116-315 §4204) provides that in cases of a homeless Veteran who has care of a minor dependent, GPD must pay, in addition to the daily cost of care of the eligible Veteran, an amount that equals 50% of the daily cost of care for each minor dependent.

We expect that this ability to pay for care for dependents will make GPD a more viable option for women Veterans with minor dependents and should increase the percentage of women served in GPD as time goes on. Within HUD-VASH, there is a significant difference in service utilization when comparing rates of program entry among women and men Veterans with children, with close to 30% more women with children entering HUD-VASH compared to men with children. In SSVF and RRH, there are no significant differences in admission rates for this cohort. Beyond the specified limitations of programs offering congregate living settings, no significant gender gaps in homeless program service provision or access were identified in this analysis.

VA Homeless Program Outreach: VA's Health Care for Homeless Veterans (HCHV) program provides outreach and case management services to at-risk and homeless Veterans. Women Veterans received more outreach contacts proportionally than what they represent in the homeless women Veteran population (10.9% of all outreach contacts were with women Veterans, compared to the 8.4% of women represented in the homeless Veteran population). This demonstrates that VA is actively reaching out to women Veterans experiencing homelessness to ensure equitable access to services. No significant gender gaps in outreach services were identified in this analysis.

VA Homeless Program Referrals: VA homeless programs receive referrals from community partners, self-referrals from Veterans and other VA services. Self-referrals from Veterans can come through the National Call Center for Homeless Veterans (NCCHV), which provides a 24-hour/7-day-a-week hotline for Veterans seeking housing services. There were no significant gaps in referrals generated through NCCHV when comparing men and women Veteran callers. While men represented higher numbers of calls to NCCHV, a slightly higher proportion of Women Veterans had a service provider visit within 90 days of reaching out to NCCHV. Veterans receiving care across VA health care settings complete an annual Homeless Screening Clinical Reminder (HSCR), which is a brief screening to determine if a Veteran needs assistance with housing. While men represented higher numbers of positive HSCRs, they also had a slightly higher proportion of subsequent visits with a VA service provider within 90 days of being screened. No significant gender gaps in referrals and service provision from these two main referral sources were identified in this analysis.

SSVF has innovative features that allow its grantees to address the needs of women and in households where women were head of household. These features, described below, have allowed SSVF to serve significantly more women Veterans than would be expected as women currently represent 8.4% of the homeless Veteran population but 13% of Veterans served by SSVF in FY 2020.

—SSVF can offer families temporary child-care, thereby providing opportunity for women Veterans with children to seek employment and needed medical and mental health care.

- SSVF offers additional assistance to those fleeing domestic violence. This provision allows the full range of SSVF services, including financial assistance, to be offered to victims of domestic violence whether they are Veterans or the victim of violence in a Veteran's household.
- SSVF is unique in that it can directly serve all household members, including dependent children, of homeless and at-risk Veterans. As women are often the primary caretakers for a family's dependent children, this feature of SSVF is critical to meeting the needs of these women Veterans.
- SSVF is currently working with communities across the country on a national initiative that seeks to help at-risk Veteran families avoid homelessness through family reunification. By training staff on mediation techniques, supported by limited financial assistance, SSVF seeks to work with families and friends to prevent the trauma of homelessness.
- If a Veteran is separated from their family for any reason (including discord, hospitalization, incarceration or other forms of institutionalization), services can be maintained and provided to the Veteran's family members for up to 1 year.

VA Homeless Programs Outcomes: There were no significant gender gaps in outcomes for women Veterans served in VA homeless programs, and overall, women had better outcomes compared to men. Across all programs, women had higher rates of permanent housing placements and lower rates of negative program exits. Women were more likely than men to exit HUD-VASH case management with a voucher at exit. Women Veterans were also more likely than men to have full or part-time employment at exit, except in the GPD program, where women and men were equally likely to have full or part-time employment at exit. Finally, apart from the Health Care for Homeless Veterans Contract Residential Services/Low Demand Safe Haven (HCHV CRS/LDSH) programs, women Veterans had higher rates of income and non-cash benefits at exit than men, with slightly lower proportions of women exiting HCHV CRS/LDSH having income and non-cash benefits at exit.

Veteran Satisfaction: VA's two primary satisfaction surveys reveal that both women and men Veterans reported similarly high levels of satisfaction with VA services. Over 90% of women and men agreed that the services they received met their expectations and needs, and over 95% of women and men were satisfied with the overall services they received. In 2019, three of the top five Veteran-met needs were the same for homeless women and men Veteran respondents: Medical Services, Medication Management and Tuberculosis Testing and Treatment. Of the unmet Veteran needs in 2019, three of the top five were the same for homeless women and men Veteran respondents: Legal Assistance to Expunge a Criminal Record, Legal Assistance for Credit Issues/Debt Collection and Tax Issues. It should be noted that under section 5105 of the Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020, VA must enter into one or more agreements with public or private entities to provide legal services to women Veterans. As of this report, HPO has identified communities with the most pronounced indications of unmet need for legal services among homeless women Veterans and is conferring with OGC regarding the potential for new or expanded partnerships with legal service providers in these communities as a result of this legislation. No significant gender gaps in reported satisfaction with VA homeless programs and services between men and women served were identified in this analysis.

*Question.* Will you provide an update on how the VA is meeting the specific needs of rural veterans who are homeless or at risk of homelessness?

*Answer.* The Veterans Benefits Administration's (VBA) Veterans Transportation Program (VTP) offers Veterans many travel solutions to and from their VA health care facilities at little or no cost to eligible Veterans. VTP provides safe and reliable transportation to Veterans who require assistance traveling to and from VA health care facilities and authorized non-VA health care appointments. In addition, the VHA Office of Connected Care's ATLAS service is part of VA's Anywhere to Anywhere telehealth initiative, which sets out to better serve the nearly 9 million Veterans who receive care through VA no matter where they are. ATLAS has teamed up with public and private organizations to enhance underserved Veterans' access to VA health care by offering them convenient locations to receive VA care closer to home. This new option reduces obstacles such as long travel times to appointments and poor internet connectivity at home.

HPO provides a full spectrum of services designed to meet the unique needs of all Veterans, including the needs of rural Veterans who are homeless or at risk of homelessness. VA's efforts are enhanced by harnessing the strength of community providers in coordination with VA health care and benefits.

- Grant and Per Diem: GPD’s grant funding decisions consider a variety of factors including geographic dispersion. When funds are made available for a grant or per diem award under 38 C.F.R. part 61, VA will publish a Notice of Funding Availability in the Federal Register. The notice will state any priorities for or exclusions from funding to meet the statutory mandate of 38 U.S.C. 2011, to ensure that awards do not result in the duplication of ongoing services and to reflect to the maximum extent practicable appropriate geographic dispersion and an appropriate balance between urban and non-urban locations. In this way, GPD promotes equity and is responsive to the needs of communities. GPD continues to work to support communities in need, such as rural communities, as they work to end homelessness among Veterans by providing transitional housing resources for use by Veterans experiencing or at risk of homelessness.
- Supportive Services for Veteran Families: Through the SSVF program, generally, grantees may use a maximum of 40% of the temporary financial assistance to provide homeless prevention assistance to those most at risk of becoming homeless. However, this requirement has been waived for the duration of the COVID–19 health emergency. SSVF recognizes that rural areas often lack the shelter capacity to meet local needs and therefore, rural Veterans are more likely to be in temporary housing arrangements that qualify only as prevention. To address this unique feature of rural communities, SSVF allows rural grantees to apply for a waiver to this 40% prevention spending limit. Additionally, when selecting applicants to receive supportive services grants, VA will, “[t]o the extent practicable, ensure that supportive services grants are equitably distributed across geographic regions, including rural communities and tribal lands.” 38 C.F.R. § 62.23(d).
- HUD–VA Supportive Housing: Approximately 9% of Veterans housed with HUD–VASH vouchers live in rural or highly-rural areas. These Veterans often require additional or modified case management services to accommodate their remote locations. Even prior to the challenges posed by the global COVID–19 pandemic, the national HUD–VASH program office had encouraged facility-level programs to adopt telehealth as a means to ensure Veterans were able to access adequate case management supports.
- Tribal HUD–VASH: Serves American Indian/Alaska Native Veterans (AI/AN) within the tribe’s service area. HUD provides the grant funding for rental assistance, administered by the tribe or tribally-designated housing entity grantee, and VA provides the case management and supportive services to enrolled AI/AN Veterans. There are currently 26 tribes participating in the program. Tribal HUD–VASH has case managers who travel to the grantee’s reservation or tribal areas to provide outreach to homeless Veterans and Veterans at risk of homelessness. The program has been developed to specifically address the unique aspects of homelessness in tribal communities. Throughout the pandemic, some of the tribal grantees have closed their borders to non-tribal persons but made an exception for VA staff. These tribes expressed their support for VA tribal HUD–VASH staff as VA brings services to Veterans, instead of Veterans having to travel to services. VA staff aided tribal members with individual contacts, VA Video Connect (VVC) or other virtual telehealth-type meetings, and through contactless delivery of goods such as food, clothing and masks. VA was able to lend smart phones with data plans to Veterans who did not have these resources and assisted Veterans with use of the devices to allow them to complete VVC meetings or to at least connect by telephone if the Veteran was not comfortable using video technology. Staff provided support and assistance to Veterans who were experiencing significant losses of family, friends and cultural connections due to the pandemic.
- Homeless Patient Aligned Care Teams (HPACT): The HPACT program is committed to addressing the physical, mental health and social needs of all Veterans experiencing homelessness or at risk of homelessness including those residing in rural and highly-rural areas. Work is focused on the expansion of HPACT sites and services to provide optimal health to rural Veterans through utilization of extensive outreach, engagement and telehealth to increase access to care. Many HPACTs offer some form of outreach and engagement including health assessment, health education, medication prescriptions and referrals to homeless programs or other needed VA services. Additionally, telehealth services, such as VVC, enhance access and allow Veterans to receive additional services when indicated.

## QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

*Question.* I appreciate that the Department is increasing its request for suicide prevention initiatives to \$598 million dollars. A 92% increase is an impressive ask and I believe that it indicates that you are making a serious commitment to provide support to our nations veterans who are facing desperate situations, and you have my wholehearted support in doing so. In 2019 and the wake of a tragic cluster of suicides, the U.S. Army at Fort Wainwright in Fairbanks, Alaska completed an in-depth Behavioral Health Epidemiological Consultation that identified several actions they could take to try and reduce suicide among active duty service members. Despite the Army's serious commitment to implementing these changes, we have not seen a significant decrease in suicides. I am worried that this may happen at the VA, where we continually appropriate money at the problem but don't see improvement in the situation.

What is different about this year's suicide prevention portion of the budget request that will justify such a large ask?

*Answer.* There are four primary programmatic areas that account for the suicide prevention budget increase: 1) Veterans Crisis Line's (VCL) implementation of 988; 2) Suicide Prevention 2.0 (SP 2.0); 3) President's Roadmap to Empower Veterans and End a National Tragedy of Suicide (PREVENTS); and 4) the Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program (SSG Fox SPGP).

First, VCL accounts for 50% of the total increase, which is to support operational readiness in fulfillment of the National Suicide Hotline Designation Act of 2020, which requires the Federal Communications Commission (FCC) to designate 9-8-8 as the universal telephone number for the National Suicide Prevention Lifeline and VCL. A volume increase of 122% to 154% is anticipated for VCL, and the transition to 988 must be complete by July 16, 2022. Once activated, the 988 expansion will directly address the need for ease of access and clarity in times of crisis, both for Veterans and non-Veterans alike. By providing a universal, unique 3-digit dialing code, it will also give VA an opportunity to work in greater collaboration with the suicide prevention community across the United States and open the door to engage new individuals in life-saving care.

Second, the increase for SP 2.0, which accounts for 12% of the total increase, is to further the implementation of our public health approach to suicide prevention. To accomplish its goal of reducing suicide among all 20 million U.S. Veterans, and to reach Veterans both inside and outside VA care, SP 2.0 is moving suicide prevention beyond a one-size-fits-all model to a blended model combining community prevention strategies and evidence-based clinical strategies that will empower action at the national, regional and local levels. This initiative is informed by the evidence supporting suicide prevention interventions and public health approaches. The Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Services Administration and the National Action Alliance for Suicide Prevention have all moved toward a public health approach to suicide prevention. The model works to incorporate reaching both Veterans in the community as well as those we currently serve in VA with innovative community-based prevention strategies combined with strategies with known outcomes for reducing suicide and suicide attempts based upon the 2019 updated VA-DoD Clinical Practice Guideline (CPG) for the Assessment and Management of Patients at Risk for Suicide.

Third, the increase for PREVENTS, which accounts for 18% of the total increase, is to support Roadmap implementation and completion to include an aggressive plan integrating Roadmap recommendation 1 with Roadmap recommendation 8 across fiscal year (FY) 2022.

Fourth, SSG Fox SPGP accounts for 19% of the total increase. SSG Fox SPGP supports section 201 of the Commander John Scott Hannon Veterans Mental Health Care Improvement Act of 2019 (P.L. 116-171) and will enable VA to provide resources toward community-based suicide prevention efforts to meet the needs of Veterans and their families through outreach, suicide prevention services and connection to VA and community resources. In alignment with VA's National Strategy for Preventing Veteran Suicide (2018), this grant program will assist in further implementing a public health approach that blends community-based prevention with evidence-based clinical strategies through community efforts.

*Question.* Does this budget request have any points of focus on Veteran suicide prevention programs that target rural or remote communities like so many in Alaska?

*Answer.* The Office of Rural Health (ORH), in collaboration with other VA program offices and research entities, have funded over 40 mental health and suicide prevention initiatives targeted at rural or remote Veterans. The following programs have been established and are delivered in rural and highly-rural communities to

Veterans in locations similar to those in Alaska: Telehealth Clinical Resource Hubs, Rural Access Network for Growth Enhancement, Pharmacist Providers for Rural Veterans with Opioid Use Disorder and Clinical Pharmacy Specialist Providers programs. In addition, ORH funds several initiatives in other rural communities such as the VA Farming and Recovery Mental Health Services, National Mental Health and Suicide Prevention Extension for Community Healthcare Outcomes, Community Clergy Training to Support Rural Veterans Mental Health and the Rural Suicide Prevention Program, just to name a few. These mental health and suicide prevention programs contribute to VA's continuing efforts to increase access to health care and to expand delivery of health care services to rural Veterans where they live. Active partnership with the Tribal Health Organizations in implementing these suicide prevention programs will be essential in highly-rural Alaska. In addition, providing postvention support when suicides happen and honoring those individuals in their communities would help them heal and assist them in being open to the resources.

The budget includes expansion of our Community-Based Interventions for Suicide Prevention (CBI-SP) program to all Veterans Integrated Service Networks (VISN), including VISN 20. This program brings together the Governor's Challenge initiative (Alaska will be invited to join in FY 2022), the Together With Veterans peer led rural program and Veterans Health Administration (VHA) Community Engagement and Partnership Coordinators to facilitate community-led suicide prevention efforts. CBI-SP will facilitate the spread of the community suicide prevention efforts to all communities by deploying trained and dedicated VA staff who will help community coalitions organize, provide technical assistance and provide training all within a unifying model.

*Question.* The VA is running a Native Veteran Suicide Prevention Project with the goal of addressing risk factors or enhancing known protective factors of suicide and developing Tribal partnerships. The program is in the process of establishing, or has already established, partnerships with 32 Tribes. Is the VA planning to expand this program to any Alaskan Tribes?

*Answer.* The Tribal-VHA Partnerships for Suicide Prevention project is a demonstration project with three VA medical centers: VA Puget Sound Health Care System, Northern Arizona VA Health Care System and the Oscar G. Johnson VA Medical Center in Iron Mountain, Michigan. The tribal partnerships and outreach being conducted as part of this project are specific to tribes in these health care systems within the states of Washington, Arizona, Michigan and Wisconsin (which is served by the facility in Iron Mountain). The goal of this project is to develop and demonstrate a model for increasing partnership between VA suicide prevention and rural tribes. This initial project deliverable is due at the end of FY 2022, after which we expect to propose to roll the model out further in order to support additional VA health care systems that serve Native American Veterans.

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#### QUESTIONS SUBMITTED BY SENATOR JOHN HOEVEN

*Question.* Section 102 of the VA MISSION Act called for the creation of Veterans Care Agreements (VCAs), a new type of contract between the VA and its community care providers. These types of contracts are intended to be used in areas where VA community care is either not provided or not sufficient to ensure that veterans can receive the care they need. For example, Bismarck—the second largest city in North Dakota—has zero nursing homes contracting with the VA, resulting in veterans having to pay out-of-pocket to receive the long-term care they need, or having to relocate away from family and friends.

What is the current status of Veterans Care Agreements?

*Answer.* Veterans Care Agreements (VCA) are currently being utilized to supply providers to support VA's ability to deliver timely care to Veterans to meet their medical needs. Pursuant to the legal standard for use of VCAs that is set forth in the VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act, a provider with a VCA is used to serve a Veteran when the hospital care, medical services and/or extended care services needed for that Veteran is not feasibly available from VA or through a conventional procurement contract or a sharing agreement (e.g., health care resource sharing agreement with the Department of Defense). There are 16,945 active VCAs as of October 13, 2021, according to the VA Provider Portal Management System.

Generally, the use of VCAs has been gradually decreasing as the Community Care Network (CCN) has stabilized, and VA is less reliant on them as the implementation of the CCN becomes more robust. Some of the services VA is currently most

reliant on utilization of VCAs to acquire are homemaker/home health, mental health and dental services.

*Question.* Can you provide examples of where VA is currently using Veterans Care Agreements?

*Answer.* A few examples of where VCAs are currently being used include CCN Regions 4 and 5 (Alaska/California/Arizona), where VA utilizes VCAs for mental health services, when necessary, to ensure Veterans have timely access to mental health care. Additionally, VCAs are currently VA's primary means of procuring family member Bowel and Bladder coverage.

In many geographic areas, particularly rural areas, VCAs bridge the gap for providing specialties related to homemaker home health care, as well as for dental services in those areas where providers are still being recruited into the CCN. As of October 13, 2021, there are approximately 2,970 VCAs for Bowel and Bladder care, 3,300 VCAs for home health care and 8,300 VCAs for dental services.

*Question.* Since 2019, the Fargo VA has carried out a hyperbaric oxygen therapy (HBOT) clinical demonstration project. Under the project, veterans who have yet to experience positive outcomes from two traditional post-traumatic stress disorder (PTSD) therapies can be referred for HBOT in the community.

Do you agree that in order to put an end to veteran suicide, we need to address the problem with every possible option—including expanding access to innovative, alternative treatment options like HBOT?

*Answer.* VA agrees with the importance of providing effective mental health care to address Veteran suicide and supports the use of promising practices along with evidence-based treatments for mental health. The effects of Hyperbaric Oxygen Therapy (HBOT) on suicidal thoughts and behaviors have not been tested; however, HBOT does not appear to be an effective treatment for mental health disorders. The evidence on HBOT for traumatic brain injury (TBI), with or without posttraumatic stress disorder (PTSD), that is based on the results of four randomized controlled trials is largely negative, with only one study showing some short-term benefit for PTSD. VA offers Veterans access to a range of promising practices through its Whole Health Program and will continue to monitor the evidence on HBOT and potentially innovative strategies for addressing Veteran suicide.

*Question.* Given it is already July and the country is still recovering from the COVID-19 pandemic, do you anticipate extending the HBOT demonstration project beyond this fiscal year so that more veterans can access this treatment option?

*Answer.* VA does not anticipate extending the HBOT clinical demonstration project (program evaluation) beyond this fiscal year. VA clinicians and Fargo VA Health Care System leadership will continue to make case-by-case, evidence-based determinations on clinical care and case management, including community care authorizations for HBOT for any medical indication, consistent with VA policy and with consideration for the unique needs, health factors and treatment history of individual Veterans.

The clinical demonstration project was intended to identify administrative implications of administering this therapy within VA and has successfully accomplished that goal. It was never intended or designed to address efficacy of HBOT for these conditions or influence clinical care decisions, which are made by the provider in collaboration with the Veteran patient.

On October 22, 2020, the Acting Under Secretary for Health agreed to increase the total number of Veterans who could enroll in the program evaluation across all five sites from 215 to 250, which facilitated consistent opportunity for Veteran participation at each location. At the end of fiscal year (FY) 2020, leadership at four of the sites concluded their participation in the program evaluation following the planned active period of approximately 24 months. Due to the impact of Coronavirus Disease 2019 and the later start date, VA leadership supported the continuation of the program evaluation at the Fargo VA Health Care System for an additional 12 months (through the end of FY 2021), which would be consistent with the 24-month active period of the other four program evaluation sites. To maintain consistency across sites, the program evaluation concluded at the end of FY 2021.

Background:

- A total of 56 Veterans have been referred across all five sites.
- A total of 51% Veterans either dropped out or canceled before beginning treatment across all sites.
- As of June 23, 2021, Fargo VA Health Care System remains the only site that continued to enroll Veterans for FY 2021.
- A total of 23 Veterans have been referred to the Fargo site since September 2019.

- A total of 45% of all Veterans have either dropped out or canceled before beginning treatment at Fargo.
- Data indicate that the number of referrals for the first year (12 referrals) is similar to the second year (10 referrals over 10 months).
- HBOT is not recognized as an evidence-based treatment for PTSD or TBI; is not approved by the Food and Drug Administration (under guidance by the Undersea and Hyperbaric Medicine Society); and is not reimbursable by Medicare, Medicaid and insurance.

*Question.* The National Cemetery Administration (NCA) has determined that additional infrastructure—such as restrooms, storage sheds, and wind walls—are necessary at Rural Initiative cemeteries in order to better serve veterans and their families. Can you provide my office an update on the pending design and construction of the infrastructure projects at Fargo National Cemetery?

*Answer.* The infrastructure improvement project at Fargo National Cemetery is currently under design. We anticipate the design phase will be completed this fall. We also anticipate a construction contract will be awarded over the winter, and the work will be completed in the fall of next year.

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#### QUESTIONS SUBMITTED BY SENATOR SUSAN M. COLLINS

*Question.* In December 2020 my legislation, the State Veterans Homes Domiciliary Care Flexibility Act, was enacted into law. This legislation requires the VA to implement regulations which allow the waiver of certain eligibility requirements for domiciliary care per diem payments when in the best interest of the veteran. This authority would ensure that vulnerable veterans do not fall through the cracks and receive the care they need, and I urge the VA to quickly complete its rulemaking and delegate this waiver authority to local VA hospitals and regional Veterans Integrated Service Networks (VISN). Can you please provide the committee with a status update on these efforts?

*Answer.* The proposed changes to regulation 38 C.F.R. § 51.51 are currently going through the VA regulatory concurrence process which follows the Administrative Procedures Act, which typically, though not always, requires two rulemaking stages. This process takes generally 18 to 24 months and involves VA and the Office of Management and Budget. Following internal development, review and approval of the regulation, the Federal Register publishes VA's Notice of Proposed Rulemaking (NPRM). VA's NPRM invites the public to comment on the proposed amendments. VA considers and responds to all comments in the final rulemaking. The proposed regulations will address the new waiver authority in the Public Law.

*Question.* A 24-bed Substance Use Disorder Residential Rehabilitation Treatment Program (SUD RRTP) facility was approved at the Togus VA in August 2020 as an out-of-cycle Strategic Capital Investment Plan project. Currently, veterans served by VA Maine are unable to get these services within the State, and Maine veterans waiting for admission to a SUD RRTP or unwilling to travel out-of-state utilize over 500 acute inpatient bed days of care per year at VA Maine. The establishment of a residential program at Togus would improve veteran continuity of care and accessibility to vitally important services for Maine veterans. My understanding is that a design was internally approved by VA for FY21 funding in December 2020. However, based on the Department's budget request submission, it does not appear the VA has adequately prioritized this project. When does the VA plan to construct this much needed facility?

*Answer.* The following is the anticipated timeline for the Substance Use Disorder Residential Rehabilitation Treatment Program facility:

- Design Award—September 28, 2021
- Design Completion—February 2022 to June 2022
- Construction Award—December 2022 to January 2023
- Construction Completion—March 2024
- Activation—April 2024
- Occupancy—May 2024

*Question.* New International Guidelines for the Prevention and Treatment of Pressure Injuries were made available in 2019. Hospital acquired pressure ulcers impact over 2.5 million and cost the health care system \$26.8 billion annually. Following these guidelines could make significant improvements in wound care for veterans being treated at VA hospitals. When does VA anticipate adopting these guidelines

as the VA's standard of care and implementing the Standardized Pressure Injury Prevention Protocol (SPIPP) Checklist to improve pressure injury prevention?

*Answer.* VA is aware of the evolving evidence and research related to Pressure Injury (PI) prevention and wound care. Moreover, VA has adopted the 2019 International Prevention and Treatment of Pressure Ulcer/Injury: Clinical Practice Guidelines, as well as areas contained in the Standardized Pressure Injury Prevention Protocol Checklist, within the recently-released Veterans Health Administration (VHA) Directive 1352, Prevention and Management of Pressure Injuries. This directive provides policy and implementation procedures for the assessment, prevention and management of PIs across VHA clinical practice settings. The directive contains practice recommendations and is consistent with both national and international guidelines for PI prevention and management. Additionally, the national VA Approved Enterprise Standard Skin (VAAES) Inspection/Assessment electronic health record template was developed to ensure staff documentation of interventions were consistent with evidenced-based recommendations and guidelines for PI prevention and management. VAAES also includes the link to the 2019 International Prevention and Treatment of Pressure Ulcer/Injury: Clinical Practice Guidelines.

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QUESTIONS SUBMITTED BY SENATOR SHELLEY MOORE CAPITO

*Question.* I appreciated you meeting with me and my colleagues last month to update us on the actions that the Department is taking at the Louis A. Johnson VAMC in Clarksburg, West Virginia, in the wake of the horrific events that took place at the facility. As I know you observed during your time at the facility, both staff and patient morale is low. It is imperative that the VA continues to monitor the progress towards restoring trust at the medical center.

During our visit, I brought up that there is still staff in leadership roles at the facility, who were in those positions when the murders took place. You told me that part of the issue is that the VA could not begin its internal investigation, until after the OIG and DOJ investigations concluded. While I understand that the internal investigation is probably still ongoing, can you provide me with an update on this and if the VA has found any new issues since our last meeting, that need to be addressed?

*Answer.* The internal Administrative Investigation Board was completed on December 18, 2020. No actions were taken until the Office of Inspector General (OIG) report was published May 11, 2021. We were awaiting completion of the OIG report to implement disciplinary actions regarding this incident, all of which have since been effectuated.

*Question.* Are there still employees waiting to have disciplinary action taken against them?

*Answer.* VA has taken the necessary administrative actions against all identified employees. The administrative actions ranged from written counseling to removal. There were several VA staff members including the Medical Center Director, Chief of Staff and Associate Chief Nurse who retired from their respective positions before administrative action could be taken. Additionally, two staff members, a Hospitalist and a Quality Manager, resigned before administrative action could be taken.

SUBCOMMITTEE RECESS

Senator HEINRICH. And with that, we stand adjourned.

[Whereupon, at 11:02 a.m., Wednesday, June 23, the hearing was adjourned, and the subcommittee was recessed, to reconvene at a time subject to the call of the Chair.]

## LIST OF WITNESSES, COMMUNICATIONS, AND PREPARED STATEMENTS

	Page
Berry, Lieutenant General Warren, Deputy Chief of Staff for Logistics, Engineering, and Force Protection:	
Statement of .....	29
Prepared Statement of .....	30
Boozman, Senator John, U.S. Senator from Arkansas:	
Questions Submitted by .....	85
Statement of .....	3, 54
Capito, Senator Shelley Moore, U.S. Senator from West Virginia, Questions Submitted by .....	98
Chiarotti, Lieutenant General Charles, Deputy Commandant, Installations & Logistics:	
Prepared Statement of .....	27
Statement of .....	26
Collins, Senator Susan M., U.S. Senator from Maine, Questions Submitted by .....	97
Cramer, Paul, Performing the Duties of Assistant Secretary of Defense for Sustainment:	
Prepared Statement of .....	6
Summary Statement of .....	4
Evans, Lieutenant General Jason, Deputy Chief of Staff .....	17
Prepared Statement of .....	18
Heinrich, Senator Martin, U.S. Senator from New Mexico:	
Opening Statement of .....	1, 53
Questions Submitted by .....	80
Hoeven, Senator John, U.S. Senator from North Dakota, Questions Submitted by .....	95
McConnell, Senator Mitch, U.S. Senator from Kentucky, Questions Submitted by Questions .....	86
McDonough, Hon. Denis R., Secretary of Veterans Affairs:	
Prepared Statement of .....	57
Summary Statement of .....	55
Murkowski, Senator Lisa, U.S. Senator from Alaska, Questions Submitted by .....	94
Schatz, Senator Brian, U.S. Senator from Hawaii, Questions Submitted by .....	84
Williamson, Vice Admiral Ricky, Deputy Chief of Naval Operations for Fleet Readiness and Logistics:	
Prepared Statement of .....	24
Statement of .....	24



# SUBJECT INDEX

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	Page
DEPARTMENT OF DEFENSE	
MILITARY CONSTRUCTION AND FAMILY HOUSING	
Base Realignment and Closure (BRAC) .....	37
Beyond the Budget .....	23
Budget Uncertainty and the Milcon Process .....	28
Defense Environmental Restoration Programs .....	9
Department of Defense Energy Programs .....	12
Challenges .....	30
Child Care .....	20
Climate Change .....	6
Conclusion .....	17, 23, 26, 29, 37
Energy Innovation .....	17
Enterprise-wide Energy Initiatives .....	13
Environmental:	
Conservation and Compatible Development .....	11
Programs .....	9
Technology .....	10
Facilities Sustainment and Recapitalization .....	8
Facilities Sustainment, Restoration, and Modernization (FSRM) .....	36
Family:	
And Unaccompanied Housing .....	8
Housing and Barracks .....	19
Force Design and Installations .....	28
FY 2022:	
Budget Request for Installation Infrastructure .....	22
Milcon Program .....	34
Health Care .....	20
Historic Housing Program .....	20
Housing Construction and Operation and Maintenance .....	36
Infrastructure Sustainment and Restoration .....	25
Installation Energy Resilience .....	15
Installations Resiliency and Resiliency Initiatives .....	27
Introduction .....	6, 30
Key Areas of Concern .....	6
Milcon Execution .....	25
Military:	
Construction .....	7, 22
And Family Housing .....	7
Housing .....	25
Privatization Initiative (MHPI) .....	6
Modernize and Innovate .....	22
Operational Energy Resilience .....	14
Operation and Maintenance of Facilities .....	23
Overcoming Challenges .....	31
Per- and Polyfluoroalkyl Substances .....	9
Permanent Change of Station (PCS) Moves .....	21
Privatized Housing .....	36
PPV Housing .....	28
Quality of Life Priorities .....	19
Special Interest Items .....	32
Spouse Employment .....	

	Page
Spouse Employment—Continued	20
Strengthen Readiness and Resilience .....	21
Taking Care of People .....	18
The Army Installations Strategy .....	18
The Native American Lands Environmental Mitigation Program .....	10
Threats to Energy .....	13

---

DEPARTMENT OF VETERANS AFFAIRS

Access to Mental Health and Suicide Prevention .....	59
Additional Committee Questions .....	80
Addressing an Aging Infrastructure .....	62
An Evolving Landscape Will Influence How VA Cares for Veterans .....	64
Congressional Support .....	64
Diversity, Equity and Inclusion .....	66
Economic Opportunity .....	62
EHRM .....	63
Eliminating Veteran Homelessness .....	61
Empowering Leaders to Implement Positive Change .....	66
Environmental Exposures .....	65
Establishing the Right Balance of VA and Community Care .....	59
Financial Management Business Transformation .....	64
Fiscal Year 2022 Budget and 2023 Advance Appropriations .....	58
Improving Support for Women Veterans .....	60
Leveraging Technology to Support Service and Medical Care Delivery .....	63
Louisville VA Medical Center (VAMC) .....	86
Mental Health .....	88
New Statutory Authorities .....	65
Research .....	65
Rural Health .....	87
Strategic Focus .....	58
Supporting Caregivers .....	60
Toxic Exposures .....	89
VA Logistics Redesign (VALOR) .....	63
VA Telehealth .....	84
Veteran Homelessness .....	90