

A great deal has already been done during the past few years in providing adequate accommodations for our military families, as indicated below. This has helped raise reenlistment rates sharply above the 1954 low point. However, additional construction is still required, to meet the needs of new or greatly expanded installations, and to complete the job at established posts. In addition, the growing inventory of military family housing must be efficiently managed, in order to achieve the most effective utilization, and the maximum economies in operation and maintenance.

During the past several years, the DOD family housing construction and acquisition programs have been substantial. During the years 1953 through 1960, for example, the Department of Defense inventory of adequate family housing assets increased by some 195,000 units. These included some 99,000 Capehart units, 70,000 acquired Wherry units, 18,000 appropriated fund units, and 8,000 surplus commodity units. The value of these assets was then estimated to exceed \$2.8 billion. From 1961 to the present, all new construction projects were authorized for construction with appropriated funds. These totaled approximately 25,000 units with a value of approximately \$438 million.

In addition to these principal programs, some 5,500 rental guarantee units were built in France and Morocco (and an additional 5,000 units are now in the planning stage), about 7,000 private rentals are being leased in the United States and approximately 2,500 overseas, and about 7,800 section 809 units were built for essential civilian employees at research and development installations in the United States. Also, approximately 1,500 section 810 units were built by private enterprise near military installations, and some 1,100 more are under construction. DOD personnel have priority of occupancy in these units.

Title IV of the Housing Amendments of 1955 (Public Law 84-345, approved August 11, 1955) authorized the acquisition of military family housing under the so-called Capehart program. The statute contemplated that housing projects be constructed on Government-owned property, pursuant to competitive bidding by private contractors, financed by the proceeds of 100 percent mortgages insured by the Federal Housing Administration under a revised title VIII of the National Housing Act.

Capehart units are public quarters and are occupied on the basis of forfeiture of quarters allowances. Funds to pay the principal and interest on the Capehart mortgages are appropriated in the appropriation "Family housing, Defense." The DOD inventory contains approximately 115,000 Capehart units.

Some 83,000 family housing units were built under the original title VIII of the National Housing Act, the so-called Wherry program. The same act which authorized the Capehart program (Housing Amendments of 1955) also authorized acquisition of Wherry projects by the military departments.

Pursuant to this legislation, the Department of Defense acquired a total of 79,000 Wherry units. These units have been and are being repaired and improved to public quarters standards and designated public quarters. Because of some combinations of the smaller units to obtain larger quarters, the number acquired has been reduced to about 75,000 Wherry units.