

Appropriated fund housing, although less significant quantitatively than the Wherry or Capehart programs, has been essential to the Defense Department's plan for reducing the military housing deficit. It has proved a flexible source of new construction both in the United States and overseas, wherever special programs are impractical.

As noted above, prior to 1961 budgetary limitations prevented a large-scale program of Government expenditure for military family housing. Construction of new housing with appropriated funds came virtually to a halt in the immediate postwar period, partly as the result of the uncertainty of the Nation's long-range military plans, partly because of the existence of large numbers of temporary World War II housing assets. Most of the funds which Congress did appropriate in this period were used to convert these temporary rental units into adequate public quarters.

The passage of the Defense Department housing bill in 1954 (Public Law 83-765) marked the beginning of an appropriated fund housing program of major significance. This legislation authorized 11,967 family units in fiscal year 1955, but appropriations were made for only 40 percent of the authorization. In the following year, appropriations were granted for most of the unfunded portion of the fiscal year 1955 program as well as for the fiscal year 1956 authorization of 16,582 units contained in Public Law 84-161, but construction continued to fall short of authorization while projects were reviewed to see if they could more suitably be developed under the newly passed title VIII (Capehart) program. In 1956 an additional 3,790 units were authorized in Public Law 84-968, making a total of 32,339 for fiscal years 1955, 1956, and 1957. Of these and subsequent authorizations through fiscal year 1961, only about 18,000 units were actually built. However, starting in fiscal year 1962 and including fiscal year 1966, 33,750 appropriated fund units have been authorized and funded.

In 1953, the Department of Defense formulated a privately financed family housing program in France which would provide urgently needed adequate accommodations for Army and Air Force families, without involving substantial construction expenditures. Authorization for such a program was contained in section 302 of Public Law 82-534.

From 1953 to 1954 contracts were entered into with selected French builders, guaranteeing a specified level of rental income for a specified period of years. In return for these guarantees, the builders provided the land and capital, built housing projects conforming to U.S. standards, and made the units available for rent to U.S. families. A total of 4,800 units were built at 34 locations in France, and 700 units were built in Morocco.

In order to meet requirements for family housing in foreign countries with a minimum expenditure of appropriated funds, the DOD was authorized by section 407 of Public Law 83-765, to construct housing of a total value not to exceed \$25 million, utilizing foreign currencies obtained from the sale of surplus commodities made pursuant to Public Law 83-480. Subsequent amendments increased the total amount of the authorization to \$250 million, obligated the DOD to repay the Commodity Credit Corporation from quarters allowances withheld from occupants of such housing, and authorized expenditure of a maximum of 25 percent of the total cost of a project from appropriated funds.