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**Statement of
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Performing the Duties of the
Deputy Undersecretary of War for
Acquisition & Sustainment**

**Before the Senate Committee on Appropriations
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies**

**A Review of the
President's Fiscal Year 2027 Budget Request for
Military Construction and Family Housing**

May 14, 2026

INTRODUCTION

Chairman Boozman, Ranking Member Ossoff, and distinguished members of the Subcommittee: thank you for this opportunity to discuss the President's Fiscal Year (FY) 2027 budget request for the Department of War's (DoW) military construction and housing portfolios.

The 2026 National Defense Strategy (NDS) lays out a clear objective for the Department: be the sword and shield to deter war, with the goal of peace—but be ready to fight and win the nation's wars if called upon. To achieve these objectives, we must ensure we are postured to maximize our Warriors' lethality while defending the homeland against a wide range of threats. We must be clear-eyed about these threats and prioritize the ones that pose the gravest risk to Americans' security, freedom, and prosperity.

Our installations are more than just enablers of this critical priority. They are weapons systems that operationalize energy and resources through responsible stewardship and strategic partnerships, delivering quality support to our Warriors and their families and increasing their mission readiness. Our installations are the foundations of our national security posture, and I look forward to working with this committee in the coming months to ensure they are postured to support the 2026 NDS; maintain our status as the world's strongest, most lethal, and most capable military; and ensure peace through strength.

DEFENDING THE HOMELAND AND SUPPORTING LETHALITY

The 2026 NDS recognizes our foremost priority is to defend the U.S. Homeland against the growing capability of our adversaries, ranging from nuclear threats to a variety of advanced conventional strike, space, cyber, and electromagnetic warfare capabilities. That would be challenging enough, but as we have seen in multiple operations around the globe, our adversaries are using a wide range of asymmetric means, from small unmanned systems to one-way-attack drones, to extensive electromagnetic surveillance with increasing frequency. The homeland truly is no longer a sanctuary. Countering these threats requires our installations to be ready to defend against them while also being resilient enough to sustain critical missions under contested conditions.

The strength and lethality of our military is built both on the weapon systems that defend us, and on the readiness of our Service members, and their families, to accomplish this mission. So often we characterize this as a quality-of-life issue. But it is much more than that. Quality of life is not a benefit—it is a core component of combat readiness. Similarly, our readiness extends to our installations. Our installations are weapon systems themselves, just like our ships, tanks, and planes. We must ensure that they are postured—in terms of quality, condition, and laydown—to carry out the entire spectrum of military operations.

To meet these challenges, the Department is requesting \$26.8 billion for military construction (MILCON)—\$4.1 billion over FY 2026 enacted levels. Our military construction request will provide the infrastructure for major weapons systems that unleash American lethality, including critical support for the Golden Dome and Guam Defense systems; advanced weapons systems such as the F-47, attack and ballistic missile submarines; and nuclear deterrence platforms such

as Sentinel and B-21, while also honoring our commitment to our warfighters by completing critical quality-of-life projects like barracks and medical treatment facilities.

These projects are accompanied by a generational \$57.2 billion request in Facilities, Sustainment, Restoration, and Modernization (FSRM) to address our aging infrastructure after years of underinvestment by executing the maintenance and repair activities necessary to keep facilities operational; repair damage caused by age, inadequate maintenance and disasters, fires, or accidents; and alter or replace facilities to meet new standards or accommodate new functions. Our FSRM request more than doubles our FY 2026 investments (an increase of \$31.1 billion) and represents 2.7% of Plant Replacement Value (PRV), which exceeds the 1.75% FY 2027 minimum capital investment imposed by the FY 2025 National Defense Authorization Act (NDAA). The Department looks forward to working with Congress to protect our infrastructure investments for the future without compromising readiness today.

To address aging infrastructure and evolving operational demands, the Department is requesting \$734 million for eleven Energy Resilience and Conservation Investment Program (ERCIP) projects. These critical investments focus on bolstering energy dominance and water security by deploying cutting-edge technologies—such as advanced energy storage systems, next-generation geothermal and nuclear capabilities, and sophisticated microgrid networks—while ensuring mission-essential command and control capabilities remain protected from disruption, including from adversary attacks and extreme weather.

Through these efforts, the Department is strengthening the resilience and operational readiness of military installations to defend the U.S. Homeland and its bases abroad against rapidly evolving threats, while adapting to the demands of modern warfare. By integrating advanced energy technologies and securing critical resources, the Department is advancing strategic priorities in national security and energy resilience leading to increased operational effectiveness. These initiatives also support broader national objectives—including grid optimization, safe and secure water supplies, and American energy dominance—ensuring the United States remains prepared to confront emerging challenges and sustain its strategic advantage in a complex global environment.

IMPROVING EFFICIENCY

To support the NDS, the Department must ensure its resources are singularly focused on the Department's core mission of defending the Nation, and we continue to meet the Secretary's call to focus on eliminating waste and duplication.

MILCON and FSRM Review

Given the size and scope of the Department's infrastructure footprint, the MILCON and FSRM investment portfolios represent a significant opportunity to maximize the effectiveness of taxpayer dollars while improving the readiness and lethality of our warfighters.

Under current processes, a MILCON project can take five years to be incorporated in a budget request to Congress and once funded, can take potentially another four years to obtain beneficial use. The Department appreciates the new authorities provided by the FY 2026 NDAA, including

accelerated design-build, progressive design-build, and greater flexibility in selecting construction agents, which will improve our ability to deliver critical capabilities to our Warriors. At the same time, we also recognize that we must develop more timely and flexible processes and organizational structures to enable more agile delivery of infrastructure needs.

Last year, the Deputy Secretary of War charged my office to conduct comprehensive reviews of the Department's MILCON and FSRM portfolios. After significant coordination with the Military Departments, Office of General Counsel, and industry experts, I recently signed guidance to the Military Departments and Defense-Wide Agencies directing them to maximize implementation of the new authorities granted by the FY 2026 NDAA and to implement several strategies to further accelerate project delivery and reduce costs, including maximizing design reuse; streamlining regulatory and environmental compliance; assessing and eliminating unnecessary military-unique compliance checklists; focusing on broader infrastructure portfolios rather than individual project silos; leveraging private-sector architectural-engineering and construction management firms; adopting advanced and agile construction technologies; and bundling procurement actions across multiple, similar projects.

Additionally, the comprehensive reform of our Unified Facilities Criteria in particular is yielding exceptional results, as our 25 Tri-Service discipline working groups are streamlining documents to a fraction of their original size. This has been achieved by strategically separating mandatory requirements from supplemental commentary, reducing or eliminating discretionary requirements, consolidating approximately 120 separate documents into a single comprehensive digital code, and further aligning our criteria with proven industry codes and standards. This foundational streamlining is creating clear, data-structured criteria which is an essential step to implementing next-generation AI tools. The revised content will be available in June and position us to ensure the innovative and cost-effective management of our military installations, infrastructure, and facilities well into the future.

Streamlining Implementation of Environmental Requirements

A significant area of opportunity to improve efficiency and effectiveness in our delivery of capability to our warfighters is to eliminate delays within the environmental permitting process. As part of our response to Executive Order 14154, Unleashing American Energy, and the Presidential Memorandum: Updating Permitting Technology for the 21st Century, the Department is working internally and with other key stakeholders in the Administration, such as the Council on Environmental Quality, to streamline how DoW implements the National Environmental Policy Act.

The Department has identified opportunities to innovate processes, leverage technology, and develop interoperability across various programs and environmental data systems with focus to enable streamlined environmental requirements and decision management for the Department. My team continues to work closely with internal partner offices to assess and execute environmental requirements across various programs, to include expanding critical minerals capabilities and efforts to modernize the industrial base.

The Department recognizes that we have an immense responsibility to protect the health of the warfighter, their communities, as well as the natural resources entrusted to us. We are working to

ensure we are maximizing our readiness and resilience while demonstrating responsible stewardship.

Maximizing the Department's Real Estate Portfolio

The Department is also looking to increase use of its 10 U.S.C. 2667 lease authority through enhanced-use leases to generate cash or in-kind consideration for the Department (e.g., leasing of DoW lands for AI data centers and mineral production).

Intergovernmental Support Agreements

Another available authority is intergovernmental support agreements or IGSA's. These are powerful tools that improve efficiency at our installations by leveraging the existing capabilities of our community partners to deliver installation support services. Examples of current IGSA's include a partnership between the State of North Carolina and the Navy for airfield support services at the Global TransPark in Kinston, NC, and an IGSA with the Denali Commission—an independent federal agency designed to provide critical utilities and infrastructure support throughout Alaska—to execute several key projects in Adak, Alaska which will expand contingency and training opportunities for both U.S. Northern Command and U.S. Indo-Pacific Command. The Department will continue looking to maximize IGSA opportunities.

QUALITY OF LIFE

Our Warriors' readiness starts at home. And as we said before, quality of life is not a benefit—it is a core component of combat readiness. Our servicemembers should be able to focus on their missions without having to worry about issues with their housing or about the health and safety of their family members back home. Restoring quality of life standards is a critical component to reviving our warrior ethos and rebuilding our military and the Department remains committed to ensuring that these issues are addressed so that our Soldiers, Sailors, Airmen, Marines, and Guardians can bring 100% of themselves to their missions.

Housing

As the Secretary of War has made clear, quality housing is critical to mission readiness, and we are all-in on providing the safe, clean, and comfortable conditions our Warriors and their families deserve. At his direction, the Department is aggressively confronting challenges across the entire housing portfolio—from government-controlled housing to privatized family homes—to correct deficiencies caused by decades of underfunding and lack of oversight, and to restore faith in our housing. Our commitment to improving living conditions for our Warriors is reflected in our generational investment of \$26.3 billion in our housing portfolio, which includes:

- \$20.3 billion for Unaccompanied Housing (UH);
- \$1.2 billion for 5 UH construction projects; and
- \$4.4 billion for Family Housing (FH).

The UH request, which represents a \$16.3 billion increase over the FY 2026 budget, is dedicated to quickly and efficiently repairing and replacing our barracks inventory, providing quality housing for all servicemembers. It will ensure that all barracks are brought up to serviceable standards (facility code index of 80 or better) immediately and maintained thereafter. To achieve

greater speed, efficiency, and flexibility, the Department is focusing on improvements through the Facility Sustainment, Restoration, and Modernization (FSRM) program, leveraging the use of intergovernmental support agreements, Military Housing Privatization Initiatives and lease authorities, and the repair-by-replacement authorities provided in the FY 2024 NDAA.

The FH request is a significant \$2.5 billion increase over the FY 2026 enactment and will be used to eliminate failing government-owned family housing units and significantly upgrade inadequate ones; and increase maintenance of the Family Housing inventory to safeguard our assets and enhance the well-being of military families. The budget of \$2.1 billion includes \$845 million in Family Housing Construction funds and \$1.3 billion in Family Housing Operation & Maintenance funds. The Construction funds will support the new construction and renovation of over 300 homes in Germany, Japan, Guam, and the United Kingdom, as well as two MHPI restructures in Alaska and the Southeast Region to recapitalize and repair struggling privatized housing projects to ensure their long-term viability; while the Family Housing Operation & Maintenance request will support 32,000 government-owned homes, 6,000 government-leased homes, and oversight of 203,000 MHPI homes. The Department is also requesting \$2.3 billion in mandatory Family Housing Construction and Family Housing Operation & Maintenance funds.

These efforts will be centered around two task forces which are designed to execute a targeted, expeditious strategy to fix the unique challenges within our unaccompanied and family housing portfolios.

On October 6, 2025, Secretary Hegseth established the Barracks Task Force (BTF) with the mandate to “find it, fix it” to ensure all barracks are “Safe, Clean, and Comfortable”. As its initial action, the BTF conducted comprehensive, wall-to-wall inspections, delivering immediate improvements for ~237,000 Warriors. These initial fixes were enabled by \$1.2B in mandatory funding to address critical life, health, and safety issues, including HVAC and plumbing repairs, mold remediation, fixing water intrusions from roofs and windows, and repairing door locks and installing security cameras in our Warriors’ barracks. The BTF’s ongoing efforts are focused on ensuring that the Department’s unaccompanied housing habitability standard policy is implemented across all military installations, improving maintenance workflows, instituting new quality control measures, optimizing barracks investments, and providing free wireless internet across all barracks. My office, with the support of the Military Departments, is laser focused on ensuring the Secretary of War’s directive to make all barracks “Safe, Clean, and Comfortable” is carried out to completion.

Further, to evaluate performance and restore financial viability across the ~204,000 privatized family homes in the Military Housing Privatization Initiative (MHPI), the Department recently launched the Housing Task Force & Deal Team (HTFD). This task force is working to create fiscally responsible solutions to ensure the long-term viability of these critical housing assets. To accomplish this, the Department will review all housing agreements. Our evaluation will assess project capital reserves to develop sustainment strategies, recommend restructuring underperforming agreements, and recommend improved terms and increased accountability by which all deals will be executed. Going forward, privatized housing deals will provide improved outcomes for our Warriors, their families, and the American taxpayer.

As the Department rapidly pursues a revitalized housing portfolio, we have also continued to focus on improving housing oversight and accountability over the past year. To enhance the quality of our Warriors' barracks, the Department issued enterprise-wide guidance on unaccompanied housing habitability standards and improved the maintenance work order process by implementing digital work order systems across all installations. These actions, stemming from requirements in the FY 2024 and FY 2025 NDAA, were instrumental in closing eleven open recommendations from the Government Accountability Office.

Lastly, in direct response to the FY 2026 NDAA, the Department is addressing statutory requirements to modernize housing requirements and market analysis across the enterprise. To support this effort, the Department is developing the Housing Decision Support Tool, a modern analytic capability designed to improve the accuracy, consistency, and usability of housing data to inform decision-making. This capability is intended to replace legacy, manual processes with a more integrated, data-driven approach to assessing housing needs and market conditions. Together, these efforts strengthen the Department's ability to plan, prioritize, and oversee housing investments in alignment with Congressional direction and Department priorities.

GLOBAL POSTURE PRIORITIES

Enhancing the Global Footprint

Our strategic investments across our global installation portfolio—from the Pacific to the Arctic to Central America—form an integrated defense network essential for protecting the homeland, and the Department continues to engage with our host nation partners to provide our forces with the necessary installations and access to support the National Defense Strategy. These engagements include an increased focus on greater allied and partner burden-sharing and prioritizing investment in the most optimal locations.

One area of particular focus is the execution of several critical posture initiatives in Guam, which will help to ensure a free and open Indo-Pacific. Supporting evolving Joint Force Homeland defense and Pacific warfighting requirements, including the deployment of the Integrated Air and Missile Defense of Guam capability, the expansion of Polaris Point, and addressing damages from Typhoon Mawar, requires unprecedented levels of military construction to provide our forces with the resilient infrastructure needed to organize, train, equip, and, if necessary, deliver lethal combat power. This increasing demand for construction, compounded by labor and material shortages, has prompted a comprehensive approach to delivering the right capabilities to the warfighter and we appreciate the continued support of Congress in addressing these issues.

These efforts are supported by a partnership between the Departments of War and Interior and the Governments of Guam and the Commonwealth of the Northern Mariana Islands (CNMI) to develop a comprehensive Mariana Island Conservation Strategy (MICS) to accelerate mission-essential projects by streamlining Endangered Species Act compliance and reducing regulatory barriers. The MICS will address biosecurity, and invasive species risks that impact installation operations, the local economy, and human health and safety through a comprehensive, collaborative approach that balances infrastructure expansion and readiness with ecological integrity in these unique island environments.

Beyond Guam, the Department is focused on other key initiatives in support of the National Defense Strategy within the Indo-Pacific region. Through the Enhanced Defense Cooperation Agreement in the Philippines, we are enhancing key sites to ensure they can serve as resilient platforms for a joint response to regional crises. In the Federated States of Micronesia and Palau, our investments in air and seaport infrastructure create secure logistical and dispersal nodes, enhancing the survivability of our forces and assets. In the CNMI, the rehabilitation of Tinian's airfields provides critical redundancy for our regional installations. These infrastructure projects are not merely about power projection; they are about building a forward-deployed, resilient network of installations that is fundamental to National Defense Strategy priorities.

This global importance on homeland defense extends to the High North, a region of growing strategic importance. The Department's strategy in this region is executed through its installations, which serve as the northern flank of our national defense. We are investing in the modernization of critical infrastructure, including in Alaska and at Pituffik Space Base in Greenland, to provide persistent, all-domain awareness and early warning.

The Department is also focusing on ensuring that our installation footprint in the Western Hemisphere supports defense of the U.S. homeland and our hemispheric interests. Our cooperative security locations in Panama provide the necessary infrastructure to counter illicit trafficking and promote regional stability, directly contributing to the security of our border. These installations are fundamental to ensuring the security and accessibility of the Panama Canal, a strategic chokepoint vital to our economic prosperity and the global mobility of our forces.

Congress' continued support for these initiatives is paramount to building the resilient and secure infrastructure necessary to defend our nation and its interests. We thank Congress for extending temporary authorities for certain workers to support military construction work on Wake Island, CNMI, and Guam.

Hawaii

The relationship between the U.S. Military and Hawai'i has been a critical piece of U.S. military and diplomatic strategy for over 125 years. Hawai'i's strategic location in the Pacific, unique training and port areas, and support for critical defense missions make it a cornerstone of our posture in the Indo-Pacific region. In support of this indispensable defense mission, the Military Departments have jurisdiction over approximately 222,000 acres of land in Hawai'i, roughly four percent of Hawai'i's land base. This includes approximately 39,000 acres in land leases and easements from the State of Hawaii which are going to expire between 2029-2032. These lands provide ideal locations for specialized defense capabilities, multi-domain operating areas to generate future force readiness, and training ranges that our Joint Force leverages with allies and partners. Retaining these mission critical training lands is a top priority to support the U.S. Indo-Pacific Command (USINDOPACOM) warfighter.

The Department recognizes that past incidents, particularly the fuel and concentrated AFFF spills at the Red Hill Bulk Fuel Storage Facility and the diesel spill at the Maui Space Surveillance Complex, have resulted in a loss of public trust between the DoW and Hawai'i residents. The

situation has underscored the importance of working collaboratively with stakeholders to address the Department's continued management and use of lands and natural resources in Hawai'i.

Military personnel in Hawai'i are working to engage consistently, respectfully, and transparently to strengthen relationships in support of the shared goals of national security, economic prosperity, and a healthy environment. The Hawaii Coordination Cell (HCC), established within EI&E, is working closely with the Military Departments, USINDOPACOM, and OSW counterparts to support a comprehensive and coordinated approach to support these efforts. The HCC serves as a primary point of contact for state and local officials, businesses, community organizations, and Hawai'i residents to connect with military personnel, engage in dialogue about key issues of concern and create opportunities for collaboration. These activities are essential to enable the continuation of the critical military missions in Hawai'i.

CONCLUSION

Thank you for the opportunity to discuss the President's FY 2027 budget request for the Department of War's infrastructure portfolio. We appreciate Congress' continued support for our enterprise and look forward to working with you.