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Permanent Subcommittee on Investigations (PSI)
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Chairman Ossoff, Ranking Member Johnson, and Members of the Subcommittee, thank you for the opportunity to testify before you today and for allowing the Armed Forces Housing Advocates (AFHA) to share the stories of thousands of families residing in privatized military housing that have been impacted by the systemic failures of the Military Housing Privatization Initiative.

Background: AFHA

The Armed Forces Housing Advocates serve military families of every branch across the continental US, Hawaii, and Alaska. We provide direct advocacy services to educate families on their rights and empower them to become their own advocates. Our team has assisted approximately 1,500 residents with mold remediation, asbestos, lead exposure, window safety, Americans with Disabilities Act and Fair Housing Act compliance, gas leaks, sewage leaks, water contamination issues, and PCS homelessness since May of 2021.

AFHA also collects and reports data regarding the substandard living conditions in privatized military housing with an end goal to bring about long-lasting protection for current and future residents.

Every team member is either a veteran, military spouse, or someone who has currently or previously resided-in an MHPI home. Our organization is completely volunteer run. The necessity of our organization means that 100% of our current funds, mostly small donations from individuals our team has assisted, are used to support military families.

The Armed Forces Housing Advocates are testifying today to be the voice of the residents we represent. When our families are afraid to speak up due to fear of reprisal - we must be their voices.

Common Themes: Balfour Beatty Managed Properties

Due to the grassroots approach our advocacy takes, we have a unique view of the current process and procedures across the United States.

Move In Conditions

When moving into a Balfour Beatty managed property, incoming residents are often accepting homes site unseen and are moving into units that have been improperly turned over with obvious issues such as mold, flaking and chipping lead-based paint and non-working appliances. [See Exhibit A: Photos of Move-In] There are many maintenance requests placed in the first few weeks for the average home. Balfour Beatty maintenance staff often tells families not to put initial work orders into the electronic work order system, and insist that maintenance will handle them separately. This practice not only circumvents the metric by which MHPI success is measured, but also does not give the next resident a clear view of their maintenance history, which is an allotted right in the Tenants Bill of Rights. Move-ins at F.E. Warren AFB, West Point, Fort Stewart, Fort Leonard Wood, NSB Kings Bay, Fort Carson, Whiteman AFB, Fort Bliss, and Carlisle Barracks, have experienced these issues in the past year.

Maintenance

Beyond move-in, there are often maintenance requests for water leaks, sewage, mold, and other environmental hazards. The response to these issues are subpar and does not meet industry standards. Major leaks are often stopped at the source, but not dried or cleaned properly, even if the leaks contain raw sewage. Exhibit B shows a completed maintenance request for a sewage leak and a photo of the area after the work order was closed by Balfour Beatty maintenance staff at JB Charleston. Even when contractors bring in dryers, like seen in Exhibit C, the areas are not opened between floors and often lead to mold growth, due to the improper drying process.

Mold on porous surfaces is often wiped with cleaning solvents or painted over, leaving the source of the mold growth uninvestigated. This step only wipes away the visible mold at that moment but does not remediate the problem, which will become worse. (Exhibit D - Mold Wipe/Paint) If remediation is attempted, there is often little to no containment placed (Exhibit E- no containment), and if set, it is merely for spectacle. This dishonest display of containment creates a safety risk in that mold spores continue to spread when the area is not correctly contained. More recently, there have been refusals to displace residents while mold remediation occurs, even if significant home areas are unusable, including kitchens and full bathrooms. When remediation occurs in older homes, where lead-based paint and asbestos may be a concern, often little to no precaution is taken to treat these areas as hazards.

In Exhibit F, you can see where Balfour Beatty maintenance staff attempted to take a moisture reading, but due to how wet the walls are in this home, the wall crumbled. This home is a lead-based paint and asbestos hazard that Balfour Beatty refused to remediate.

The Yardi system does not provide an accurate reflection of when work orders are placed or completed. For example; If you place a work order for lead-based paint in Yardi, the property manager can change the verbiage not to reflect that it was a lead-based paint request or manipulate the language to make the work order an informative request versus an actionable request. If you try and place a work order for mold, the term is often changed to verbiage like “environmental growth” and frequently closed out after a visual inspection. This can be seen right now at Hunter Army Airfield, Fort Carson, Fort Leonard Wood, and NSB Kings Bay.

Visual inspections by local maintenance staff are a frequent occurrence. These inspections are unreliable and lead to systemic issues with uninhabitable homes being provided to tenants. For example, a Balfour Beatty maintenance employee is known for doing visual inspections of mold, wiping his finger in the area, and licking it while asking the resident if they thought he would do that if it was mold. In several such incidents, independent laboratory tests have shown the presence of mold, yet these maintenance staff deny and mark the mold work orders complete in their systems due to the home passing visual inspections. Exhibit G, shows mold that maintenance dismissed as not being mold growth.

Denied maintenance requests are a common occurrence. Maintenance may be requested to complete a task, but if a request is deemed unnecessary or too expensive to complete at the time then it is closed, without recourse from the tenant. At Whiteman AFB, a resident requested a tree be removed from their front yard due to the falling limbs. This request was denied. Just weeks later, a large limb fell on a car, which just moments prior had an infant inside. [Exhibit H]

Disability Related Requests

Military Families with disabilities are being faced with excessive red tape by Balfour Beatty when requesting reasonable accommodations and modifications to their homes. Federal law protects individuals with disabilities, but often the excessive requests for documentation and personal information breaches these protections. If a disability is clear, then a doctor’s note should not be required. Exhibit I shows a child that resides in a Balfour Beatty community. He is clearly disabled, but Balfour Beatty required several

forms of documentation to prove the disability, which is a violation of his federal rights. This is common practice regardless of the type of disability. Once an accommodation is approved, maintenance is known to install the accommodations incorrectly. For example, providing grab bars but installing them sideways, which makes them unusable for a disabled individual or installing a wheelchair ramp that leads to a grassy yard. [Exhibit J].

In addition, confusion and inaccuracies are often passed to residents. Exhibit K shows an email to a resident regarding their Emotional Support Animal request. The resident provided a valid note from their medical provider for the emotional support animal, but was told they needed to get further approvals from the government housing office. The government housing office had never heard of such approval. The Balfour Beatty employee that wrote the email stated that the verbiage came from corporate attorneys.

Medical Issues

Due to the environment in the homes, we have seen numerous medical conditions that can be linked, by the resident's medical providers, to the conditions in their homes. Physical health symptoms like allergy symptoms, nose bleeds, and recurring respiratory illnesses that clear once residents leave their homes are common. Balfour Beatty staff often downplay illnesses and insist they are not due to home conditions. At Fort Bliss, a child was diagnosed with high levels of lead in their blood. After the inspection was completed, it was shown that there were higher than allowable levels of lead dust on the vertical surfaces. Balfour Beatty continued to insist that the exposure was not due to the home. At Fort Leonard Wood, faulty construction of a kitchen cabinet, as admitted by Balfour Beatty maintenance, led to a resident receiving a traumatic brain injury when the cabinet fell on her while making dinner for her family. The resident has been attempting to seek resolution with Balfour Beatty for over a year with no resolve. All of these medical conditions caused by Balfour Beatty homes are costing military treatment facilities and Tricare millions of dollars.

Government Housing Office

Families seeking assistance from their government housing representatives are often met with resistance. The representatives from the government housing offices are often poorly trained on state and federal laws that apply to housing and have little to no experience in actual home inspection services. At Fort Gordon, the RCI office was aware of potential lead-based paint exposures occurring at a playground within one of the neighborhoods for years. They had cited this in their ground lease compliance report themselves but never took further action. This detestable behavior is a theme. Like RCI

(also called MHO, among other acronyms), the government housing offices may become aware of the problems, but have little to no recourse to move the property management company to comply with requests. Simple requests like removing language from their leases that violate the Servicemember Civil Relief Act, which protects military service members from being charged for breaking their lease due to a military move, was left unchanged for years.

Additionally, the government housing office employees are inadequately trained in federal disability and landlord/tenant law. Some are under the impression that the property management company is not required to follow state law; they are. The installations are not equipped to provide the informal and formal disputes processes, as these processes require some knowledge and training in state and federal housing law.

Retaliation

As an organization, AFHA has seen retaliation firsthand. Families are terrified of coming forward due to the potential interference it may have with their careers. For example, a service member was up for promotion and when the spouse spoke out about housing issues with mold and contamination in water, the service member's promotion was passed up. Also, the property management companies frequently engage directly with the servicemember's chain of command- recently one soldier was told by his chain of command to "get your wife under control with housing issues or your career will go down the tubes." These are common, systemic responses, and not just a localized issue.

Appealing to a civilian tenant's corporate ladder would be unheard of in the private sector. It is intimidating to have higher-ranking individuals showing up at your home and forcing your hand to settle a housing dispute to make the situation disappear. I have personally witnessed installation commanders giving incorrect information about the Fair Housing Act to a service member, which ultimately led the family to drop their complaint due to the installation commanders' actions. AFHA has received multiple reports that Child Protective Services has been called to inspect residents' homes that have made housing complaints. We have also had several families threatened with eviction this year if they file further complaints.

Our team often has families that come to us for assistance but retreat and become unresponsive once they face the pressures or negative interactions with the property management company, the government housing employees, or the chain of command. The barriers housing companies create that residents are up against to seek assistance or file complaints, are so strenuous, that many give up. The disturbing fact is that it is

less troublesome for people to live in uninhabitable and dangerous homes, than it is to ask for livable housing.

Is This Widespread?

As an organization, we would like nothing more than to be able to give you an example of an installation or housing management provider that is doing this well, but we cannot. The issues stated above are not the breadth of problems nor are they unique. The local management at the installation level is receiving direction from their corporate leaders, which is why the issues we see at one installation mirror those we see at others with the same management company. Balfour Beatty often claim their issues are regional with a few bad actors, but we vehemently disagree with this notion. Corporate leadership has a direct impact in the policies and actions of their community level managers. Our team has had several employees from Corvias, Hunt, and Balfour Beatty reach out about the actions they have witnessed while working at different military installations for these companies. The prevailing theme is there is a drive to slash costs by cutting corners, which is being passed down from the top levels to the local employees.

When corporate leadership is directing the actions of the local employees, the issues are inherently systemic.

A Way Forward

We need a properly trained, impartial third party to provide oversight of privatized housing. Third-party means they have no allegiance to either the Department of Defense or the privatized partners. Residents need advocates at their installations who truly represent them when they encounter the need for help, rather than advocates who are concerned about the negativity it may cause the branch of service. Military families who need immediate assistance cannot wait any longer.

At AFHA, we believe that readiness starts with a safe home. When our service members are exploited by the very companies that promise to protect them, our troops are not operationally ready. No service member should have to choose between a costly reasonable accommodation for their family member, or purchasing groceries. No service member should be losing sleep on deployment, worried that their family is sick or injured in their home. And no service member or their family should ever be homeless while serving this great country. It is time that our service members and their families are all treated with the dignity and respect they deserve.

Service members have lost their faith in companies like Balfour Beatty due to their continued disregard for the health and safety of our military families. We believe that ending the partnership with Balfour Beatty is the only way to ensure the readiness of our service members.

AFHA Data and Survey Results (nearly 1,000 residents surveyed)

Claim by MHPI Representative	AFHA Question	Data / Response
Properties are well-maintained and safely constructed.	Do you feel your privatized military home is properly and safely maintained?	<ul style="list-style-type: none"> • 70.28% reported "No"
Maintenance staff are properly and adequately trained.	Do you feel the maintenance team at your installation is properly trained to safely handle your issues with mold, lead, asbestos, gas leaks, and other environmental issues?	<ul style="list-style-type: none"> • 85.65% reported "No"
The Tenant Bill of Rights has been implemented, including dispute resolution.	Do you feel that you have easy access to the dispute resolution process?	<ul style="list-style-type: none"> • 80.65% reported "No"
MHPI staff do not retaliate against residents that report issues.	Are you afraid that you will face retaliation if you speak out about your housing issues?	<ul style="list-style-type: none"> • 68.23% reported "Yes"
MHPI companies allow residents to say whether or not they are satisfied with the work before closing a work order.	Does your housing company ask for your approval before closing out your work orders?	<ul style="list-style-type: none"> • 74.34% reported "No"
We support our military members.	Would you, or your family member, leave military service early if you were only able to live in privatized military housing?	<ul style="list-style-type: none"> • 50.07% reported "Yes"

Exhibit A

Active mold growth on wall at resident move-in.



Exhibit B

Work order marked as completed.

REQUEST # [REDACTED]
REQUESTED 6/25/2021
CATEGORY Plumbing
DESCRIPTION Sewage overflowing from clean out
STATUS Tech Completed
DATE COMPLETED
MAINTENANCE NOTES

Photo after work completed.



Exhibit C

Drying sewage leaked from second floor to first floor kitchen. This was the only remediation provided.



Exhibit D

Mold was wiped and painted over. This is not proper maintenance, but rather a cover-up of the real issue.



Exhibit E

Containment should be used to protect the residents and their property from contaminants, especially in older homes with lead and asbestos risks.



Exhibit F

This home is an asbestos and lead based paint hazard located at Hunter Army Airfield. Maintenance created this hole while moisture testing, but never returned to fix it. Claimed wall was not wet, even though it crumbled.



Exhibit G

Mold on a kitchen cabinet that was proven to be mold with laboratory testing, but Balfour Beatty refused to acknowledge as mold growth.



Exhibit H

Request for tree removal due to limbs falling denied just weeks prior by Balfour Beatty at Whiteman AFB.



Exhibit I

Disabled child in front of the steps that lead to the bedrooms of his home managed by Balfour Beatty. Balfour Beatty employees that requested documentation of disability had seen this child multiple times, but continued requesting more documentation to prove disability.

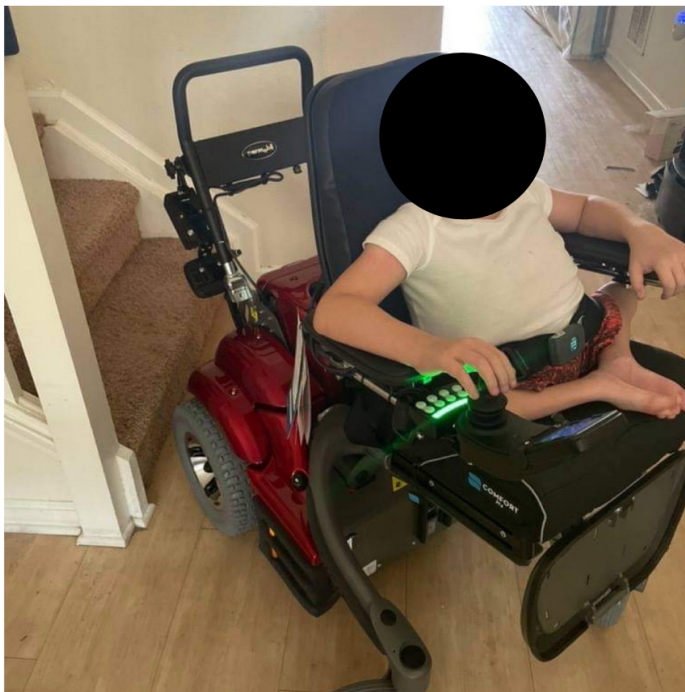


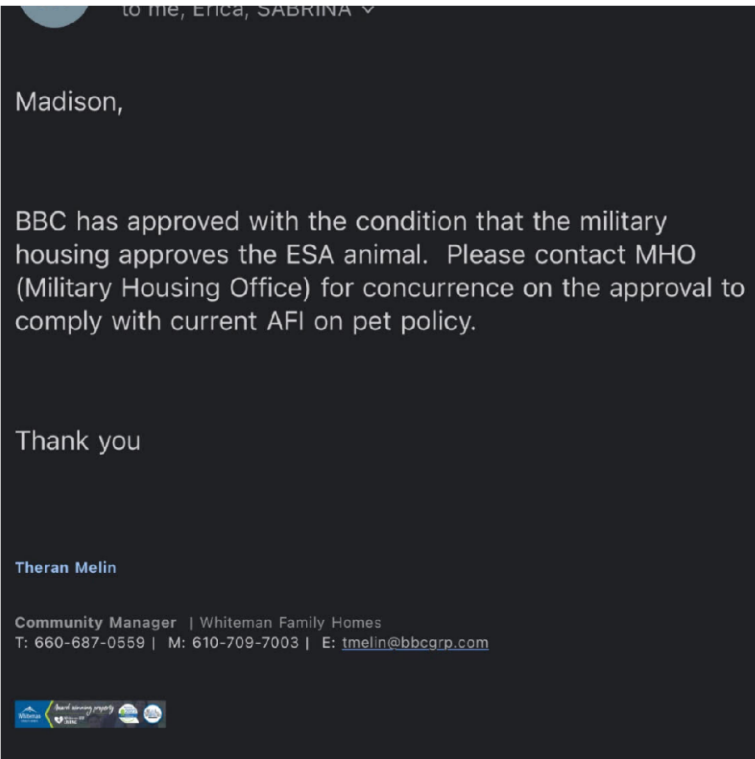
Exhibit J

Grab bars installed sideways and a wheelchair ramp surrounded by grass with no access. These are two different Balfour Beatty installations; West Point and Sheppard Air Force Base.



Exhibit K

This email was sent to a disabled resident that recently suffered a traumatic incident. The further confusion and misinformation in this email was passed to the local management from Balfour Beatty corporate according to the employee.



GEORGIA

Overarching issues at all installations:

- Mold
- Excessive move out fees
- HVAC issues, poor maintenance
- Work order fraud

101 military families served by AFHA

Other notable issues:

NSB Kings Bay-

- Management staff unaware of state and federal laws
- ADA and FHA violations
- Fined by HUD
- Documented racism toward residents

Robbins:

- Will not document findings as "mold" unless resident acquires their own lab test proving mold is present
- Remediation is done improperly without containments
- No industry standards were followed for leak and mold remediation projects

Benning:

- Homelessness

Fort Stewart:

- Electrical hazards
- ADA and FHA violations
- Rotting wood
- Inappropriate maintenance employee behavior

Fort Gordon:

- Mold
- Excessive move out charges
- Work order fraud



SEN JON OSSOFF

Chairman

Air Force

Moody AFB
Hunt

Robins AFB
Hunt

Army

Fort Benning
Clark Realty

Fort Gordon
Balfour Beatty

Hunter Army Airfield
Balfour Beatty

Fort Stewart
Balfour Beatty

Marines

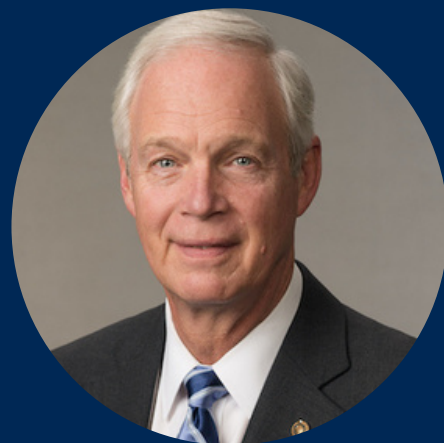
MCLB Albany
Liberty Military Housing

Navy

NSB Kings Bay
Balfour Beatty

WISCONSIN

No MHPI projects to note.



SEN RON JOHNSON
Ranking Member

About 7,700 Wisconsinites serve in the
Wisconsin Army National Guard

DELAWARE

Dover Air Force Base

4 military families served by AFHA

- Work order fraud
- MHO office has a great spirit to help residents but is roadblocked by Hunt by interfering and not providing adequate or accurate information
- Brand new homes are built with improperly installed walls that allow for water and moisture to leak and cause mold growth.
- Reports of improper fire code adherence.



SEN THOMAS R. CARPER

Air Force

Dover Air Force Base
Hunt

NEW HAMPSHIRE

NSY Portsmouth

No current military families served by AFHA, however, based on previous complaints, does not mean there are no issues. Previous publicly documented issues from 2013 to 2020 are complaints of mold, poor mold remediation, and most recently unaffordable civilian options for housing. Additionally, it seems ideas of housing satisfaction are misconstrued by skewed survey results of 92 percent occupation rate which is often correlated with assumed satisfaction, whereas the truth lies in that 70% of civilian housing is not affordable for Kittery residents-military families essentially must reside in MHPI housing or in another surrounding state with a commute to financially survive.



**SEN MARGARET WOOD
HASSAN**

New Hampshire has 37th highest share of military personnel among the 50 states

CALIFORNIA

Overarching issues at all installations:

- Inadequate window fall prevention
- Homelessness and housing crisis
- Mold
- ADA and FHA violations

108 military families served by AFHA

Other notable issues:

Camp Pendleton, Twenty Nine Palms, Naval Base San Diego, Fort Irwin, Monterey Bay:

- Short cuts on work orders causing larger issues down the line
- Excessive move out fees
- Respiratory issues caused by mold
- Homelessness

Vandenberg:

- MHO staff does not understand state law is applicable
- Suggests families seek outside counsel rather than using rights available for dispute resolution

Travis and Beale:

- Mold
- Respiratory issues
- Poor leak and flood remediation



SEN ALEX PADILLA

Air Force

Beale AFB
Balfour Beatty

Travis AFB
Balfour Beatty

Vandenberg AFB
Balfour Beatty

Edwards AFB
Corvias

Los Angeles AFB
Lendlease

McClellan AFB
McClellan Park

Marine Corps

Camp Pendleton
Hunt

KENTUCKY

Overarching issues at all installations:

- Lead-based paint hazards
- FHA violations
- Mold
- MHO staff is undertrained
- Poor understanding of state law applicability

16 military families served by AFHA

Fort Campbell

- Documented toxic strains of mold



SEN RAND PAUL

Army

Fort Campbell
Lendlease

Fort Knox
Lendlease

OKLAHOMA

Overarching issues at all installations:

- Mold
- ADA Violations
- Asbestos

47 military families served by AFHA

Other notable issues:

Sill:

- Historic homes are environmental hazards,
- Improper remediation of even minor maintenance requests exposes residents to asbestos and lead

Tinker:

- Mold
- Respiratory issues



SEN JAMES LANKFORD

Air Force

Altus AFB
Balfour Beatty

Tinker AFB
Balfour Beatty

Vance AFB
Hunt

Army

Fort Sill
Corvias

FLORIDA

- **Overarching issues at all installations:**

- Mold
- Do not follow state laws
- ADA and FHA violations
- BAH insufficient

23 military families served by AFHA

Other notable issues:

MacDill:

- Water damage in homes with stilts is so bad that HVAC and floors are sinking due to rot and mold
- ADA violations for families needing one-story homes

Key West and Pensacola:

- Mold
- Respiratory issues
- Insufficient BAH



SEN RICK SCOTT

Air Force

Eglin AFB
Corvias

Hurlburt Field AFB
Corvias

Patrick AFB
Hunt

Tyndall AFB
Balfour Beatty

MacDill AFB
Harbor Bay-Michael's

Navy

NAS Jacksonville
Balfour Beatty

NAS Keywest
Balfour Beatty

NS Mayport
Balfour Beatty

NAS Pensacola
Balfour Beatty

NAS Whiting Field
Balfour Beatty

NSA Panama City
Balfour Beatty

SHEPPARD AFB

Overarching issues at all installations:

- Leaks
- Mold
- Improper remediation
- Improper reasonable accommodation installation
- Not enough homes to serve the incoming residents

22 military families served by AFHA



BALFOUR BEATTY

Freedom Estates
Heritage Heights
Wind Creek Village