Congress of the United States

Washington, DC 20515

February 7, 2025

The Honorable Russell Vought Director Office of Management and Budget 725 17th Street, NW Washington, DC 20503

Mr. Michael Peters Commissioner Public Buildings Service 1800 F Street, NW Washington, DC 20405 Mr. Stephen Ehikian Acting Administrator and Deputy Administrator General Services Administration 1800 F Street, NW Washington, DC 20405

Dear Director Vought, Acting Administrator Ehikian and Commissioner Peters:

On January 4, 2025, the *Thomas R. Carper Water Resources Development Act of 2024 (WRDA)* (P. L. 118-272) was signed into law. This legislation includes unprecedented authorities for the Trump Administration to right-size the Federal real estate portfolio and save billions of dollars for the taxpayer. Specifically, Title III of Division B of this legislation included provisions, collectively referred to as the "Public Buildings Reforms", that provide the Administration with direction and authorities to improve the management of the Federal real estate portfolio and tackle the Federal Government's inefficient use of its office space. To maximize the effectiveness of these provisions, it is critical that implementation begins as soon as possible to meet deadlines and take full advantage of the authorities provided to the Administration in this legislation.

In 2023, at the request of the Committee on Transportation and Infrastructure, the Government Accountability Office (GAO) conducted a review of the actual utilization of agency headquarters buildings for the 24 Chief Financial Officers (CFO) Act agencies that sit on the Federal Real Property Council to better understand how the Federal Government is utilizing its real estate portfolio. In order to assess space utilization, GAO collected building size and attendance data from all 24 agencies over a defined period of time. GAO found that, on average, 17 of the 24 CFO agency headquarters were at 25 percent or less utilization, with some agencies as low as nine percent.

¹ GAO, GAO-24-107006, FEDERAL REAL PROPERTY: AGENCIES NEED NEW BENCHMARKS TO MEASURE AND SHED UNDERUTILIZED SPACE (2023), *available at* https://www.gao.gov/assets/gao-24-107006.pdf.

² *Id*.

³ *Id*.

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While recent work-from-home policies exacerbated the problem of low space utilization, concerns about space usage existed prior to the COVID-19 pandemic.⁴ For example, in 2013, oversight efforts by Republicans on the Committee on Transportation and Infrastructure led to the Obama Administration's Office of Management and Budget (OMB) announcing the "Freeze the Footprint" initiative, which was later followed, in 2015, by the "Reduce the Footprint" initiative.⁵ Even if 100 percent of the Federal employees returned to the office, the taxpayer would still be paying for excess space. For example, one agency that was the subject of GAO's 2023 review reported that, even if all their employees came into the office on the same day, only 67 percent of their headquarters building would be utilized.⁶

The Public Buildings Reforms provide the Administration with legal authority to require Federal agencies in owned and leased office space to bring employees back into the office to meet *at a minimum* a 60 percent actual utilization rate for office space.⁷ If agencies fail to meet that standard, they must move to smaller space or co-locate with other agencies, and any vacated buildings must be sold to produce a return for the taxpayer.⁸ In essence, if Federal agencies do not use their space, they will lose it. The provisions also have critical roles for your agencies and the Public Buildings Reform Board, as well as deadlines, milestones, and transparency requirements for Federal agencies occupying both owned and leased space.

It is unacceptable for American taxpayers to pay for space that is sitting empty, and we urge you to utilize these new authorities to consolidate Federal space and support your efforts to direct employees to return to work in-person. As Chairmen of the Congressional Committees and Subcommittees with jurisdiction over public buildings and improved grounds of the United States, our Committees are willing to assist the Administration's efforts to protect the taxpayer's dollar.

The Committees will continue their work to ensure effective management of the Federal real estate portfolio and eliminate unnecessary costs to the American taxpayer. Should any questions about these provisions or other requirements arise, please contact Johanna Hardy, with

⁴ GAO, GAO-23-106203, HIGH-RISK SERIES: EFFORTS MADE TO ACHIEVE PROGRESS NEED TO BE MAINTAINED AND EXPANDED TO FULLY ADDRESS ALL AREAS (2023), *available at* https://files.gao.gov/reports/GAO-23-106203/index.html.

⁵ Press Release, White House, *Freezing the Footprint*, (Mar. 14, 2013), *available at* https://obamawhitehouse.archives.gov/blog/2013/03/14/freezing-footprint; *see also* White House, *Reduce the Footprint*, (Mar. 25, 2015), *available at*

https://obamawhitehouse.archives.gov/sites/default/files/omb/financial/memos/implementation-reduce-the-footprint.pdf.

⁶ GAO, GAO-24-107006, FEDERAL REAL PROPERTY: AGENCIES NEED NEW BENCHMARKS TO MEASURE AND SHED UNDERUTILIZED SPACE (2023), *available at* https://www.gao.gov/assets/gao-24-107006.pdf.

⁷ Public Law 118-272, Div. B, Title III § 2302

⁸ *Id*.

⁹ Presidential Memorandum, (Jan. 20, 2025), *available at* https://www.whitehouse.gov/presidential-actions/2025/01/return-to-in-person-work/.

¹⁰ Rules of the House of Representatives, Rule X, Clause 1(r); Standing Rules of the Senate, Rule XXV, Clause (h)(1).

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the Subcommittee on Economic Development, Public Buildings, and Emergency Management, Majority Staff, at or Libby Callaway with the Committee on Environment and Public Works, Majority Staff, at .

Thank you for your prompt attention to this matter.

Sincerely,

Sam Graves

Member of Congress

Chairman

Committee on Transportation

and Infrastructure

Scott Perry

Member of Congress

Chairman

Subcommittee on Economic Development,

Public Buildings, and Emergency Management

Shelley Moore Capito United States Senator

Chairman

Committee on the Environment and

Public Works

Kevin Cramer

United States Senator

Chairman

Subcommittee on

Transportation and Infrastructure