

103^D CONGRESS
1ST SESSION

S. 928

To improve the cost-effectiveness of Federal property management.

IN THE SENATE OF THE UNITED STATES

MAY 11 (legislative day, APRIL 19), 1993

Mr. COHEN (for himself and Mr. DECONCINI) introduced the following bill;
which was read twice and referred to the Committee on Governmental Affairs

A BILL

To improve the cost-effectiveness of Federal property
management.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4 The Congress finds that—

5 (1) the Federal Government owns over 400,000
6 buildings that cost the taxpayers hundreds of billions
7 of dollars;

8 (2) the Federal Government is the largest sin-
9 gle tenant and builder of office space in the United
10 States;

1 (3) the Federal Government currently has
2 \$11,400,000,000 of construction in the works which,
3 when completed, will add approximately 23,000,000
4 square feet of office space;

5 (4) the Federal Government is constructing, or
6 entering into long-term leases for buildings con-
7 structed expressly for the Federal Government, in
8 areas with building vacancy rates as high as 30 per-
9 cent;

10 (5) significant budget savings can be achieved
11 if, before considering new construction, Federal
12 agencies aggressively explore the possibilities of pur-
13 chasing or leasing suitable office buildings available
14 in the market or acquiring suitable real estate under
15 the control of the Federal Deposit Insurance Cor-
16 poration or Resolution Trust Corporation;

17 (6) the physical space requirements of Federal
18 agencies and the Judiciary are too often overstated
19 and inflexible and, therefore, do not permit the ac-
20 quisition or lease of existing properties which may be
21 suitable and cost-effective;

22 (7) current scorekeeping rules may be discour-
23 aging agencies from entering into the most respon-
24 sible arrangements for securing office space (for ex-
25 ample, in some cases, a lease/purchase agreement

1 may be most cost-effective but current scorekeeping
2 rules require that the budget authority and outlays
3 for the entire obligation, paid over a period of years,
4 be scored in the year the contract is signed); and

5 (8) the Federal Buildings Fund, established in
6 1972 as a revolving fund to cover the General Serv-
7 ices Administration's cost of rent, repairs, renova-
8 tions, and to pay for the construction of new Federal
9 buildings, and funded by the rent agencies pay to
10 the General Services Administration, has failed to be
11 self-sustaining and has required billions in appro-
12 priations to finance new construction.

13 **SEC. 2. COMPREHENSIVE REVIEW OF FEDERAL PROPERTY**
14 **MANAGEMENT.**

15 (a) IN GENERAL.—The Director of the Office of
16 Management and Budget shall conduct a comprehensive
17 review of Federal property management policies and pro-
18 cedures and make recommendations to promote better co-
19 ordination between Government agencies, maximize effi-
20 ciency, and encourage flexibility to make decisions which
21 are in the best interest of the Federal Government.

22 (b) INCLUDED IN REVIEW.—The review required by
23 this section shall include—

24 (1) recommendations requiring the General
25 Services Administration, the Department of Defense,

1 the Postal Service and all other Federal agencies
2 and the Judiciary, when appropriate, to develop or
3 modify existing building requirements in such a way
4 as to allow for—

5 (A) the purchase, lease, lease/purchase of
6 existing buildings at market rates; and

7 (B) the purchase of Resolution Trust Cor-
8 poration-owned and Federal Deposit Insurance
9 Corporation-owned real estate rather than new
10 construction of buildings;

11 (2) in conjunction with the Director of the Con-
12 gressional Budget Office, developing recommenda-
13 tions to revise scorekeeping rules for Federal prop-
14 erty leasing, lease/purchase, construction, and acqui-
15 sition to encourage flexibility and decisions which
16 are in the best interest of the Federal Government;
17 and

18 (3) recommendations on whether the Federal
19 Buildings Fund should be maintained, alternatives
20 for meeting the Fund's objectives, and changes to
21 the Fund that will enable it to meet its objectives
22 and become self-sustaining.

23 **SEC. 3. REPORT.**

24 Not later than two months after the date of enact-
25 ment of this Act, the Director of the Office of Manage-

1 ment and Budget shall report the recommendations devel-
2 oped pursuant to this Act to—

3 (1) the Senate Committees on Governmental
4 Affairs, Appropriations, and Environment and Pub-
5 lic Works; and

6 (2) the House of Representatives Committees
7 on Government Operations, Appropriations, and
8 Public Works and Transportation.

○