

Chairman Peters Opening Statement As Prepared for Delivery
Full Committee Hearing: FASTA Implementation and Optimizing the Efficient Use of
Federal Property
June 8, 2023

The federal government owns and leases a significant portfolio of real property, buildings that require resources to manage and maintain. For 20 years, the Government Accountability Office has put federal real property management on its High-Risk List because of long-standing challenges, including the disposal of excess and underutilized property.

As of fiscal year 2021, federal agencies reported that although more than 124,000 federal buildings were being fully used, 898 buildings owned by federal agencies were underutilized, and nearly 8,000 buildings stood completely unused.

Maintaining these unused or underutilized spaces costs taxpayers money, and makes the federal government vulnerable to waste.

While the General Services Administration, which manages a significant portion of the federal real property portfolio, has a process to identify and dispose of unused property, Congress passed the Federal Assets Sale and Transfer Act, or FASTA, in 2016 to further streamline the government's ability to dispose of unused property and save taxpayer dollars.

This law created the Public Buildings Reform Board to review and recommend unused properties for the government to sell.

In its first round, the Board identified 10 unneeded properties that were eventually sold for \$194 million. However, during this process, the Board faced numerous challenges, including identifying occupied buildings that led to a delay of nearly two years before the sales could be completed. The second round of properties identified by the Board were rejected by the Office of Management and Budget and no sales occurred.

The Board is preparing a final round of recommendations to offload unused buildings as FASTA nears its effective expiration in December 2024.

Today's hearing is an important opportunity for the Committee to hear about both the successes, and the setbacks, this program has faced in trying to accomplish its important mission to optimize the federal government's use of real property.

The federal government's property needs are evolving, and we should ensure that the buildings the government operates both meet agencies' needs, and are cost-effective for taxpayers.

That includes not only reviewing the FASTA process, but also examining other challenges related to real property management, such as inefficient leasing practices, and the serious challenges posed by inaccurate and incomplete records of federal properties in the Federal Real Property Profile.

I look forward to our conversation today to evaluate the FASTA process and related challenges and discuss potential reforms that would help the federal government improve efficiency and ensure that properties are being used in a way that provides the most benefit to taxpayers and local communities.