

GSA LEASE TRANSPARENCY ACT OF 2019

DECEMBER 16, 2020.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DEFAZIO, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 5047]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 5047) to require the Administrator of General Services to conduct an annual audit of properties leased to private parties, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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PURPOSE OF LEGISLATION

The purpose of H.R. 5047 is to require the Administrator of General Services to conduct an annual audit of properties leased to private parties, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

The General Services Administration (GSA), through its Public Buildings Service (PBS), is tasked with the acquisition and management of Federal real property. GSA currently owns and leases over 376.9 million square feet of space in 9,600 buildings in the United States. GSA's typical leasing activity involves the acquisition of space from private entities. GSA is required to follow the processes and model lease provisions outlined in the General Services Acquisition Regulation (GSAR).

In some cases, GSA is authorized to lease underutilized space to private businesses and non-Federal entities—a practice known as outleasing. These properties can include retail shops, food service facilities, office space, warehouse space, rooftop space, and parking lots. Since outleasing involves the temporary disposal of space, rather than the acquisition of space, GSA is not required to follow the standard processes or to use model lease provisions contained in the GSAR. Further, there is no statutory requirement that GSA conduct financial audits of its outleased properties to ensure that all rents and revenues owed by a private tenant are received by the Federal government.

H.R. 5047 would require GSA to conduct audits of Federal properties that have been leased to private parties. The audits would occur on an annual basis and would apply to outlease agreements in which the tenant leases at least 20 percent of a Federal building.

HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress, the following hearing was used to develop or consider H.R. 5047:

On September 25, 2019, the Committee on Transportation and Infrastructure held a hearing entitled, "Landlord and Tenant: The Trump Administration's Oversight of the Trump International Hotel Lease." Witnesses included: Mr. Daniel Mathews, Public Buildings Commissioner, U.S. General Services Administration; the Honorable Carol F. Ochoa, Inspector General, U.S. General Services Administration; Mr. Michael A. Foster, Legislative Attorney, American Law Division, Congressional Research Service; Mr. Hans A. von Spakovsky, Senior Legal Fellow, Edwin Meese III, Center for Legal and Judicial Studies, The Heritage Foundation; Ms. Liz Hempowicz, Director of Public Policy, Project on Government Oversight; Mr. Walter Shaub, Senior Advisor, Citizens for Responsibility and Ethics in Washington and Former Director, U.S. Office of Government Ethics. Topics discussed included GSA outleasing practices and the Trump Organization's Old Post Office lease.

LEGISLATIVE HISTORY AND CONSIDERATION

H.R. 5047 was introduced in the House on November 12, 2019, by Mr. DeFazio and Ms. Titus and referred to the Committee on

Transportation and Infrastructure. Within the Committee, H.R. 5047 was referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management.

The Chair discharged the Subcommittee on Economic Development, Public Buildings, and Emergency Management from further consideration of H.R. 5047 on November 20, 2019.

The Committee met in open session to consider H.R. 5047 on November 20, 2019 and ordered the measure to be reported to the House with a favorable recommendation, without amendment by a record vote of 33 yeas and 22 nays (Roll Call Vote No. 10).

No amendments were offered during consideration of H.R. 5047.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against.

The Committee ordered H.R. 5047 to be reported to the House of Representatives by record vote of 33 yeas and 22 nays (Roll Call Vote No. 10). The vote was as follows:

ONE HUNDRED SIXTEENTH CONGRESS ROLL CALL VOTE No. 10

On ordering H.R. 5047 to be reported to the House with a favorable recommendation, without amendment.

Agreed to: 33 yeas and 22 nays.

Representative	Yea	Nay	Representative	Yea	Nay
Mr. DeFazio, Chair.	X		Mr. Graves of MO, Ranking Member.		X
Ms. Norton	X		Mr. Young		
Ms. Johnson of TX	X		Mr. Crawford		X
Mr. Larsen of WA	X		Mr. Gibbs		X
Mrs. Napolitano	X		Mr. Webster of FL		
Mr. Lipinski	X		Mr. Massie		X
Mr. Cohen	X		Mr. Meadows		X
Mr. Sires	X		Mr. Perry		X
Mr. Garamendi	X		Mr. Rodney Davis of IL		X
Mr. Johnson of GA	X		Mr. Woodall		
Mr. Carson of IN			Mr. Katko		
Ms. Titus	X		Mr. Babin		X
Mr. Sean Patrick Maloney of NY ...			Mr. Graves of LA		
Mr. Huffman			Mr. Rouzer		X
Ms. Brownley of CA	X		Mr. Bost		X
Ms. Wilson of FL	X		Mr. Weber of TX		X
Mr. Payne	X		Mr. LaMalfa		X
Mr. Lowenthal	X		Mr. Westerman		
Mr. DeSaulnier	X		Mr. Smucker		X
Ms. Plaskett	X		Mr. Mitchell		X
Mr. Lynch	X		Mr. Mast		X
Mr. Carbajal	X		Mr. Gallagher		
Mr. Brown of MD	X		Mr. Palmer		X
Mr. Espaillat	X		Mr. Fitzpatrick		
Mr. Malinowski	X		Miss González-Colón of PR		X
Mr. Stanton	X		Mr. Balderson		X
Ms. Mucarsel-Powell	X		Mr. Spano		X

Representative	Yea	Nay	Representative	Yea	Nay
Mrs. Fletcher	X		Mr. Stauber		X
Mr. Allred	X		Mrs. Miller		X
Ms. Davids of KS	X		Mr. Pence		X
Ms. Finkenauer	X				
Mr. Garcia of IL	X				
Mr. Delgado	X				
Mr. Pappas					
Ms. Craig	X				
Mr. Rouda	X				
Mr. Lamb	X				
Vote Total:				33	22

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the enclosed cost estimate for H.R. 5047 from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, December 19, 2019.

Hon. PETER A. DEFAZIO,
*Chairman, Committee on Transportation and Infrastructure,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 5047, the GSA Lease Transparency Act of 2019.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

H.R. 5047, GSA Lease Transparency Act of 2019			
As ordered reported by the House Committee on Transportation and Infrastructure on November 20, 2019			
By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	1	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

H.R. 5047 would require the General Services Administration (GSA) to perform an audit of federal contracts with private entities that lease 20 percent or more of a federal building. In addition, all future leases with private entities would need to include provisions to permit GSA and its inspector general to audit those leases.

Using information from GSA, CBO expects that around 5 to 10 leases would be audited under H.R. 5047 and that GSA would hire accounting firms to conduct those audits. Based on the cost of similar audits, CBO estimates that implementing the bill would cost about \$1million over the 2020–2024 period. Any spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to ensure the Federal government has received all rent and revenues in accordance with the provisions of GSA outleases.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 5047 establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED
TARIFF BENEFITS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee finds that H.R. 5047 does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section provides that this bill may be cited as the “GSA Lease Transparency Act of 2019”.

Sec. 2. Annual audit

This section directs the Administrator of General Services to conduct an annually occurring audit of leases covered by the Act within 90 days of enactment. The section also states that the audit shall determine whether the Federal government has received all rent, revenues, and anything of value due in accordance with the provisions of each covered lease. The section defines “covered leases” as an active lease of space in a Federal building in which at least 20 percent of such building is leased to any entity pursuant to any provision of law.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic,

and existing law in which no change is proposed is shown in roman):

TITLE 40, UNITED STATES CODE

SUBTITLE I—FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES

* * * * *

CHAPTER 5—PROPERTY MANAGEMENT

Sec. * * * * *

SUBCHAPTER VII—PROPERTY MANAGEMENT

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625. *Annual audit of leases.*

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SUBCHAPTER VII—PROPERTY MANAGEMENT

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§ 625. Annual audit of leases

(a) *IN GENERAL.*—Not later than 90 days after the date of enactment of this Act, and annually thereafter, the Administrator of General Services shall complete an audit, in compliance with generally accepted government accounting standards, of covered leases.

(b) *CONTENT OF AUDIT.*—The audit shall determine whether the Federal Government has received all rent, revenues, and anything of value due in accordance with the provisions of each covered lease.

(c) *SUBMISSION.*—Not later than 30 days after the date of completion of an audit, the Administrator of General Services shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate the audit and a report on such audit.

(d) *ADDITIONAL AUDIT REQUIREMENT FOR LEASES.*—With respect to any covered lease that takes effect on or after the date of enactment of this section, the Administrator shall require that such a lease contains audit rights for the Administrator and the Inspector General of the General Services Administration.

(e) *DEFINITION.*—In this section, the following definition applies:

(1) *COVERED LEASE.*—The term “covered lease” means an active lease of space in a Federal building in which at least 20 percent of such building is leased to any entity pursuant to any provision of law, including—

(A) section 543;

(B) section 581;

(C) sections 306121 and 306122 of title 54, United States Code; and

(D) Public Law 108–447 (108 Stat. 2809 et seq.).

* * * * *

MINORITY VIEWS

Committee Republicans oppose H.R. 5047, the *GSA Transparency Act of 2019*, as ordered reported. The bill creates new responsibilities for the General Services Administration (GSA) outside its core expertise for not only its out-leased properties but for those of other agencies. H.R. 5047 burdens the GSA without any demonstration for the need, analysis of the potential impact on the costs to the taxpayer, nor consideration of long-standing bipartisan priorities that dictate unused or underused federal real estate assets.

OUT-LEASES AND THE OLD POST OFFICE

Unfortunately, the Majority proposes these government-wide leasing changes based on a single, unique out-lease related to the redevelopment of the Old Post Office (OPO) in Washington, D.C., into the Trump International Hotel. This specific out-lease was proposed and supported by Democratic Committee Members prior to the election of President Donald J. Trump. However, during a Subcommittee on Economic Development, Public Buildings, and Emergency Management hearing held on January 28, 2020, Subcommittee Chair Dina Titus tried to revise history, saying “. . . given the myriad of issues and concerns raised by the execution of this lease from the outset, I want us to make sure that the GSA and this Committee have a clear understanding of the process moving forward and that we are not going to be repeating the significant mistakes of the past.”¹

It remains unclear as to why, if there were “issues or concerns” with the lease from the “outset,” the Democratic members failed to raise those concerns in 2013 when the Committee had 30 days² to review GSA’s report, detailing the material provisions of the lease.³ There is no record of any Member objecting to the lease at that time nor requesting GSA include lease provisions related to audits as proposed in H.R. 5047. In fact, contrary to the statements of the Subcommittee Chair, Members of the Committee from both sides expressed support for the lease.⁴ At the time, GSA officials under the Obama Administration that oversaw the process stated that the proposal by the Trump Organization was “a combination of the viability of the business plan, the quality of the commitment to pre-

¹Hearing on “GSA Outleases and the Trump Old Post Office Hotel,” Subcommittee on Economic Development, Public Buildings, and Emergency Management, Committee on Transportation and Infrastructure, January 28, 2020.

² Public Law 110–359, the Old Post Office Redevelopment Act of 2008, provided a congressional review period consisting of a “30-day period of continuous session of Congress following the date of the transmittal of the report . . .”

³“Report of Material Provisions of the Old Post Office Development Agreement Submitted Pursuant to Old Post Office Building Redevelopment Act of 2008,” General Services Administration, June 2013.

⁴See, for example, *Donald Trump Officially Breaks Ground on Old Post Office Hotel: The Project will Cost an Estimated \$200 million over the next two years*, *Washingtonian*, July 23, 2014.

serving the asset and a sense that this was the best deal on the table for the American taxpayer.”⁵

The idea for leasing the OPO, selection of the Trump Organization, and execution of the out-lease for redevelopment was driven and overseen by Democratic Members and by a Democratic Administration. Those involved had sufficient information and time to raise objections, questions, concerns—yet they did not do so.

COMMITTEE’S OVERSIGHT OF FEDERAL REAL ESTATE

Oversight of the GSA and its management of federal real estate is an important part of the Committee’s role. And, oversight of the OPO redevelopment and other out-leases is appropriate. This Committee has had a long history of bipartisan work holding GSA and other federal agencies accountable for being good stewards of federal real estate assets. If there are questions or information needed about a particular project or facility for proper oversight, both sides have historically worked together to obtain that information and, when legislation is needed, worked on a bipartisan basis to draft and advance such legislation.

In addition, when requesting information from GSA, the Committee has generally been sensitive to respecting business, proprietary, and procurement sensitive information. The possible release of such information could not only lead to a chilling effect reducing competition and increasing costs to the taxpayer, but in the case of out-leases, such disclosures could harm the revenue and benefits to the federal government and American taxpayer. As such, demands for potentially sensitive information by the Committee—whether directly or through legislation—should be precise, deliberative, and on an as-needed basis.

Instead, this Congress, the Democratic Members have made sweeping document requests of the GSA related to the OPO and other projects producing more than 3,700 documents totaling more than 10,000 pages as of January 2020.⁶ Despite GSA’s responses to document requests, the private investment of \$200 million to revitalize the historic OPO asset, and adherence to the rental payments that accrue to the benefit of the taxpayers, the Democratic Members have continued to insist that they need access to potentially proprietary and business sensitive information that, if released, could harm the financial interests of the taxpayer. The fact that GSA’s offer to work with the Committee to accommodate the request to review more sensitive information was rejected by Democratic Members, raises questions as to the purpose for which the information is being requested.

EFFORTS TO ADDRESS THE PROBLEM OF VACANT AND UNDERUSED FEDERAL PROPERTY

In 2003, the General Accountability Office (GAO) placed real property management on its list of “high risk” government activities where it remains today. The key reasons the GAO identified federal real property as high risk are:

⁵A Trump Makeover for Washington’s Old Post Office, *The New York Times*, May 27, 2014.

⁶Testimony of The Honorable Emily W. Murphy, Administrator, U.S. General Services Administration, Hearing on GSA Outleases and the Trump Old Post Office Hotel, Subcommittee on Economic Development, Public Buildings, and Emergency Management, January 28, 2020.

- excess and underutilized real property,
- deteriorating and aging facilities,
- unreliable property data, and
- the over reliance on costly leasing.⁷

As GAO noted in its 2019 High Risk report, “. . . federal agencies continue to face long-standing challenges, including: (1) effectively disposing of excess and underutilized property, (2) relying too heavily on leasing, (3) collecting reliable real property data for decision making, and (4) protecting federal facilities.”⁸

Even prior to 2003, the Federal Government grappled with the issue of empty and unused federal space and how best to dispose of or reuse the space. In 1966, for example, the National Historic Preservation Act included Sec. 111 which allowed and encouraged federal agencies to out-lease unused or underused historic federal buildings.⁹ The goal was to ensure the preservation of historic buildings by attracting private investment, save taxpayer dollars on ongoing maintenance costs, and create an attractive asset in the communities where the historic building is located.¹⁰ In 1976, Congress enacted the Cooperative Use Act, which provided GSA with the authority to lease out space in certain areas of federal buildings to attract retail, cultural and other activity.¹¹ Congress subsequently expanded GSA’s authority to enter into out leases, first for more targeted projects, such as to redevelop the Southeast Federal Center in Washington, D.C., and then expanded such authority across GSA facilities.¹²

In more recent history, Congress has continued to work on a bipartisan basis to ensure taxpayer dollars are not wasted on vacant space. For example, in 2013, the Obama Administration issued guidance to “Freeze the Footprint” for federal real estate.¹³ This was followed with the issuance of policy to “Reduce the Footprint.”¹⁴ The purposes of these policies were to “freeze the Federal Government’s real estate footprint and restrict the growth of excess or underutilized properties.”¹⁵ These policies along with the corresponding National Strategy for Real Property were intended “to increase efficient real property use, control costs, and reduce real property holdings.”¹⁶

However, despite these Executive Branch efforts over the decades to provide GSA and other federal agencies with expansive authority

⁷ See High Risk Series: Federal Real Property, U.S. General Accountability Office, GAO-03-122, January 2003.

⁸ GAO-19-157SP High-Risk Series, p. 78.

⁹ 16 U.S.C. 470h-3.

¹⁰ See, for example, *In a Spirit of Stewardship*, A Report on Federal Historic Property Management, Advisory Council on Historic Preservation, 2015. See also Report to Accompany H.R. 5001, Old Post Office Building Redevelopment Act of 2008, Committee on Transportation and Infrastructure, Rpt. 110-724.

¹¹ Public Law 94-541.

¹² See, Southeast Federal Center Public-Private Development Act of 2000, Public Law 106-407; see also H. R. 2573, the Public Private Partnership Act of 2003, 108th Congress. The core authorities proposed by this legislation were ultimately enacted into law in the Consolidated Appropriations Act, 2005, Pub. L. No. 108-447, Div. H, Title IV, § 412.

¹³ Management Procedures Memorandum No. 2013-02, Office of Management and Budget, March 14, 2013.

¹⁴ Management Procedures Memorandum No. 2015+01, March 25, 2015.

¹⁵ Letter Accompanying the National Strategy for Real Property, Dave Mader, Controller, Office of Management and Budget, March 25, 2015.

¹⁶ National Strategy for the Efficient Use of Real Property, 2015-2020, Spring 2015, Office of Management and Budget; Letter Accompanying the National Strategy for Real Property, Dave Mader, Controller, Office of Management and Budget, March 25, 2015.

to dispose of, redevelop, or out lease space, it has required this Committee's involvement to spur progress, given the reluctance of federal agencies to dispose of or redevelop vacant or underused properties. The Committee has acted legislatively and through oversight to push GSA to redevelop key assets, revitalize them, and turn them from assets losing taxpayer dollars to ones that benefit the taxpayer.

For example, in 2011, both the Obama Administration and Republican Members of the Committee proposed significant reforms to reduce vacant and underutilized properties.¹⁷ These efforts culminated in the passage of the *Federal Assets Sale and Transfer Act (FASTA) of 2016* which, among other things, created the Public Buildings Reform Board to look across government and identify unused or underused federal real estate to sell, redevelop, or out-lease to reduce waste, lower costs, and bring in revenue.

The OPO in Washington, D.C.—the current location of the Trump International Hotel—is a historic building. Yet this historic building was never designed for more modern and efficient office space.¹⁸ As a result, the annual operating loss for GSA and the taxpayer was \$6.1 million.¹⁹ For more than a decade, GSA attempted to revitalize this building by out-leasing ground level space for retail and expanding retail space through construction of an adjacent pavilion.²⁰ All attempts failed.²¹ As a result, in 2008, D.C. Delegate Eleanor Holmes Norton introduced legislation directing GSA to redevelop the OPO.²² This legislation was passed by the Democrat-controlled Congress and signed into law by President Obama.²³

Despite passage of this legislation, it was not until the Subcommittee on Economic Development, Public Buildings, and Emergency Management began holding oversight hearings focused on vacant and underutilized federal assets that meaningful actions were taken to redevelop the OPO and other assets.²⁴ Other buildings out-leased and redeveloped as a result of Committee action or oversight include the David W. Dyer Federal Building and U.S. Courthouse (Miami, FL) and the Spring Street Courthouse (Los Angeles, CA).

In 2011, GSA issued a Request for Proposals (RFP) for the OPO and in 2012 the Trump Organization was selected as the preferred developer, as noted by GSA during a Subcommittee on Economic Development, Public Buildings, and Emergency Management hearing on February 9, 2012, held in the then-vacant Annex of the

¹⁷ See draft bill transmitted to the Honorable John Boehner, Speaker of the House of Representatives by Jacob J. Lew, Director, Office of Management and Budget, May 4, 2011.

¹⁸ See, *Historic Buildings, Old Post Office, Washington, DC*, General Services Administration: <https://www.gsa.gov/historic-buildings/old-post-office-washington-dc>.

¹⁹ Report to Accompany H.R. 5001, Old Post Office Building Redevelopment Act of 2008, Committee on Transportation and Infrastructure, Rpt. 110-724.

²⁰ See *Id.*

²¹ See Report to accompany H.R. 5001, Old Post Office Building Redevelopment Act of 2008, Rpt. 110-724.

²² H.R. 5001, Old Post Office Building Redevelopment Act of 2008, 110th Congress.

²³ Public Law 110-359.

²⁴ For example, Subcommittee Hearing on "One Year Later: Still Sitting on Our Assets," February 9, 2012 at the OPO Annex; Subcommittee Hearing on "Sitting on Our Assets: The Georgetown Heating Plant," on June 19, 2012 at the Georgetown Heating Plant; Subcommittee Hearing on "Sitting on Our Assets: The Vacant Federal Courthouse in Miami," on August 6, 2012 at the David W. Dyer Federal Building and U.S. Courthouse.

OPO.²⁵ And, as required in the Old Post Office Building Redevelopment Act of 2008, in June of 2013, GSA submitted to the Committee a Report of Material Provisions of the OPO Development Agreement for a 30 congressional day²⁶ review period and conducted briefings for the Committee prior to finalizing the agreement with the Trump Organization.²⁷ And, as previously noted, no objections or questions were raised at that time about audit requirements in the lease.

DEVASTATING IMPACT OF H.R. 5047

H.R. 5047 would have the potential of stifling the bipartisan work of the Committee to encourage the redevelopment and reuse of vacant or underused federal real estate assets. With the potential of requiring GSA to disclose propriety or business sensitive information, potential private sector partners may be reluctant to participate in such projects. Without evidence indicating that such requirements are necessary, enacting such legislation would not be prudent and could negatively impact the benefits to the taxpayer of leasing government property. H.R. 5047 could also potentially turn away GSA resources from managing these complex out-leases—which is GSA’s statutory purpose—to becoming the federal government’s auditor of such leases.

We are disappointed that broad, government-wide legislation such as H.R. 5047 is based on a single case rather than on a thorough review of its broader impact and need. The implications of H.R. 5047 go beyond a single project and undermine the precedent that led to the successful redevelopment of the OPO and other federal buildings. A review of all large out-leases covered by this legislation ought to occur prior to crafting and considering such widespread reforms so that the implications are fully understood. For these reason, Committee Republicans must oppose this legislation but look forward to returning to our traditional bipartisan work to redeveloping underutilized property for the benefit of the taxpayer.

SAM GRAVES,
Ranking Member.



²⁵Hearing before the Subcommittee on Economic Development, Public Buildings, and Emergency Management, Committee on Transportation and Infrastructure, “One Year Later: Still Sitting on Our Assets,” February 9, 2012, Hrg Report 112–72, p. 6.

²⁶See footnote 2 *supra*.

²⁷“Report of Material Provisions of the Old Post Office Development Agreement Submitted Pursuant to Old Post Office Building Redevelopment Act of 2008,” General Services Administration, June 2013.