

115TH CONGRESS  
2D SESSION

# H. R. 6194

To reduce costs of Federal real estate, improve building security, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 2018

Mr. BARLETTA introduced the following bill; which was referred to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To reduce costs of Federal real estate, improve building security, and for other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “Real Estate Assets  
5 and Leasing Reform Act of 2018” or “REAL Reform Act  
6 of 2018”.

7 **SEC. 2. STREAMLINED LEASING PILOT PROGRAM.**

8 (a) EXECUTION OF LEASES.—The Administrator of  
9 General Services shall establish and conduct a pilot pro-

1 gram to execute lease agreements using alternative proce-  
2 dures pursuant to authority provided under section 585  
3 of title 40, United States Code, and pursuant to the provi-  
4 sions of this section.

5 (b) GOALS OF PROCEDURES.—The goals of the alter-  
6 native procedures are—

7 (1) reducing the costs to the Government of  
8 leased space, including—

9 (A) executing long-term leases with firm  
10 terms of 10 years or more and reducing costly  
11 holdover and short-term lease extensions, in-  
12 cluding short firm term leases;

13 (B) improving office space utilization rates  
14 of Federal tenants; and

15 (C) streamlining and simplifying the leas-  
16 ing process to take advantage of real estate  
17 markets; and

18 (2) significantly reducing or eliminating the  
19 backlog of expiring leases over the next 5 years.

20 (c) LEASEHOLD INTERESTS IN REAL PROPERTY.—

21 (1) SIMPLIFIED PROCEDURES.—Notwithstand-  
22 ing subsection (b) of section 3305 of title 41, United  
23 States Code, but otherwise in accordance with such  
24 section, the Administrator shall provide special sim-  
25 plified procedures for acquisitions of leasehold inter-

1       ests in real property at rental rates that do not ex-  
2       ceed the simplified lease acquisition threshold, as de-  
3       fined in paragraph (2). The rental rate under a  
4       multiyear lease does not exceed the simplified lease  
5       acquisition threshold if the average annual amount  
6       of the rent payable for the period of the lease does  
7       not exceed such threshold.

8               (2) ACQUISITION THRESHOLD.—For purposes  
9       of this section, the simplified lease acquisition  
10      threshold is \$500,000.

11      (d) CONSOLIDATED LEASE PROSPECTUSES.—The  
12      Administrator may, when acquiring leasehold interests  
13      subject to section 3307 of title 40, United States Code,  
14      transmit, pursuant to subsection (b) of such section, to  
15      the committees designated in such section for approval of  
16      a prospectus to acquire leased space, and waive the re-  
17      quirements pursuant to paragraphs (3) and (6) of section  
18      3307(b), subject to the following requirements:

19              (1) COST PER SQUARE FOOTAGE.—The cost per  
20      square footage does not exceed the maximum pro-  
21      posed rental rate designated for the respective geo-  
22      graphical area.

23              (2) SPACE UTILIZATION.—The Administrator  
24      ensures the overall space utilization rate is 170 usa-

1       ble square feet per person or less based on actual  
2       agency staffing levels when occupied.

3           (3) LEASE TERM.—The lease term, including a  
4       firm lease term of 10 years or greater.

5           (4) GEOGRAPHIC LOCATION.—The geographical  
6       location is identified as having a large amount of  
7       square footage of Federal office space and lease  
8       turnover and will likely result in providing for the  
9       ability, on a timely basis, of the agency to consoli-  
10      date space effectively or meet any requirements for  
11      temporary or interim space required for planned  
12      consolidations.

13          (5) SUBMARKETS.—Agencies may consider  
14      space in submarket locations that meet mission re-  
15      quirements.

16          (e) CONSOLIDATIONS GENERALLY.—The Adminis-  
17      trator may consolidate more than one project into a single  
18      prospectus submitted pursuant to section 3307(b) of title  
19      40, United States Code, if such consolidation will facilitate  
20      efficiencies and reductions in overall space and improved  
21      utilization rates.

22          (f) WAIVER AUTHORITY.—The Administrator may—

23              (1) waive notice and comment rulemaking, if  
24      the Administrator determines the waiver is necessary  
25      to implement this section expeditiously; and

1           (2) carry out the alternative procedures under  
2 this section as a pilot program.

3           (g) REPORTS.—

4           (1) ANNUAL REPORTS.—During the period in  
5 which the pilot program is conducted under this sec-  
6 tion, the Administrator shall submit, annually, to  
7 the Committee on Transportation and Infrastructure  
8 of the House of Representatives and the Committee  
9 on Environment and Public Works of the Senate a  
10 progress report that provides updates on the number  
11 and square footage of leases expiring in the 5-year  
12 period beginning on the date of enactment of this  
13 Act, by agency and region, and which shall include  
14 for the expiring leases—

15                   (A) an average of the lease terms, includ-  
16                   ing firm terms, for leases executed; and

17                   (B) the percentage of leases managed in-  
18                   house or through the use of commercial real es-  
19                   tate leasing services.

20           (2) FINAL REPORT.—Not later than 180 days  
21 after termination of the pilot program, the Adminis-  
22 trator shall submit a final report to the Committee  
23 on Transportation and Infrastructure of the House  
24 of Representatives and the Committee on Environ-

1 ment and Public Works of the Senate. The final re-  
2 port shall include—

3 (A) a review and evaluation of the lease  
4 agreements executed under the alternative pro-  
5 cedures established pursuant to this section in  
6 comparison to those agreements not executed  
7 pursuant to the alternative procedures;

8 (B) recommendations on any permanent  
9 changes to the General Services Administra-  
10 tion’s leasing authority; and

11 (C) a progress evaluation in meeting the  
12 goals described in subsection (b).

13 (h) TERMINATION.—The authorities under this sec-  
14 tion shall terminate on December 31, 2023.

15 **SEC. 3. EXCHANGE AUTHORITY.**

16 (a) LIMITATION ON EXCHANGE AUTHORITY.—Sec-  
17 tion 3307(a) of title 40, United States Code, is amended—

18 (1) in paragraph (1), by inserting “(including  
19 by exchange)” after “acquire”; and

20 (2) by adding at the end the following:

21 “(4) An appropriation for any costs and ex-  
22 penses associated with administering an acquisition  
23 by exchange involving real property or in-kind con-  
24 sideration, including services, with a fair market  
25 value of \$3,095,000 or more.”.

1 (b) EFFECTIVE DATE.—The amendments made by  
2 this section shall not apply to projects in which a procure-  
3 ment has already begun.

4 **SEC. 4. ZERO-BASED SPACE JUSTIFICATION.**

5 Section 3307(b) of title 40, United States Code, is  
6 amended—

7 (1) in paragraph (5), by inserting before the  
8 semicolon the following: “, including a cost compari-  
9 son between leasing space or constructing space”;

10 (2) in paragraph (7) by striking “and” at the  
11 end;

12 (3) in paragraph (8) by striking the period and  
13 inserting “; and”; and

14 (4) by adding at the end the following:

15 “(9) with respect to any prospectus, including  
16 for replacement space, lease renewal, or lease exten-  
17 sion, the Administrator shall include a justification  
18 for such space, including an explanation of why such  
19 space could not be consolidated or colocated into  
20 other owned or leased space.”.

21 **SEC. 5. ELIMINATING PROJECT ESCALATIONS.**

22 Section 3307(c) of title 40, United States Code, is  
23 amended by adding at the end the following: “The Admin-  
24 istrator shall notify, in writing, the Committee on Trans-  
25 portation and Infrastructure of the House of Representa-

1 tives and the Committee on Environment and Public  
2 Works of the Senate of any increase of more than 5 per-  
3 cent of an estimated maximum cost or of any increase or  
4 decrease in the scope or size of a project of 5 or more  
5 percent. Such notification shall include an explanation re-  
6 garding any such increase or decrease. The scope or size  
7 of a project shall not increase or decrease by more than  
8 10 percent unless an amended prospectus is submitted and  
9 approved pursuant to this section.”.

10 **SEC. 6. LIMITATION ON AUTHORIZATIONS.**

11 Section 3307 of title 40, United States Code, is  
12 amended by adding at the end the following:

13 “(i) EXPIRATION OF COMMITTEE RESOLUTIONS.—  
14 Unless a lease is awarded or a construction, alteration,  
15 repair, design, or acquisition project is initiated not later  
16 than 5 years after the resolution approvals adopted by the  
17 Committee on Transportation and Infrastructure of the  
18 House of Representatives or the Committee on Environ-  
19 ment and Public Works of the Senate pursuant to sub-  
20 section (a), such resolutions shall be deemed expired. This  
21 subsection shall only apply to resolutions approved after  
22 the date of enactment of this subsection.”.

23 **SEC. 7. LIMITATION ON DISCOUNTED PURCHASE OPTIONS.**

24 Section 585 of title 40, United States Code, is  
25 amended by adding at the end the following:



1 “(d) Any bargain-price option to purchase at less  
2 than fair market value contained in any lease agreement  
3 entered into on or after January 1, 2018, pursuant to this  
4 section may be exercised only to the extent specifically pro-  
5 vided for in subsequent appropriation Acts or other Acts  
6 of Congress.”.

7 **SEC. 8. SIMPLIFIED REFORMS.**

8 (a) IN GENERAL.—For the purpose of section 863  
9 of Public Law 110–417, an individual acquisition for com-  
10 mercial leasing services shall not be construed as a pur-  
11 chase of property or services if such individual acquisition  
12 is made on a no cost basis and pursuant to a multiple  
13 award contract awarded in accordance with requirements  
14 for full and open competition.

15 (b) AUDIT.—The Comptroller General of the United  
16 States shall—

17 (1) conduct biennial audits of the General Serv-  
18 ices Administration National Broker Contract to de-  
19 termine—

20 (A) whether brokers selected under the  
21 program provide lower lease rental rates than  
22 rates negotiated by General Services Adminis-  
23 tration staff; and

24 (B) the impact of the program on the  
25 length of time of lease procurements;

1           (2) conduct a review of whether the application  
2 of section 863 of Public Law 110–417 to acquisi-  
3 tions for commercial leasing services resulted in  
4 rental cost savings for the Government during the  
5 years in which such section was applicable prior to  
6 the date of enactment of this section; and

7           (3) not later than September 30, 2020, and  
8 September 30, 2022, submit to the Committee on  
9 Transportation and Infrastructure of the House of  
10 Representatives and the Committee on Environment  
11 and Public Works of the Senate a report that—

12                   (A) summarizes the results of the audit  
13 and review required by paragraphs (1) and (2);

14                   (B) includes an assessment of whether the  
15 National Broker Contract provides greater effi-  
16 ciencies and savings than the use of General  
17 Services Administration staff; and

18                   (C) includes recommendations for improv-  
19 ing General Services Administration lease pro-  
20 curements.

21           (c) **TERMINATION.**—This section shall terminate on  
22 December 31, 2023.

23 **SEC. 9. DEPARTMENT OF ENERGY HEADQUARTERS RE-**  
24 **PLACEMENT.**

25           (a) **SALE OF CERTAIN PROPERTY.**—

1           (1) IN GENERAL.—Not later than 2 years after  
2 the date of enactment of this Act, the Administrator  
3 of General Services is directed to sell, exchange, or  
4 some combination thereof, a portion of the Forrestal  
5 Complex necessary to generate the funds necessary  
6 to construct a new Department of Energy head-  
7 quarters on Government-owned land in a manner  
8 consistent with the SW Ecodistrict Plan if the Ad-  
9 ministrator determines that the new Department of  
10 Energy headquarters can be constructed with no net  
11 costs to the Government.

12           (2) DEFINITIONS.—For purposes of this sec-  
13 tion, the following definitions apply:

14           (A) DEPARTMENT OF ENERGY FORRESTAL  
15 COMPLEX.—The term “Forrestal Complex”  
16 means the land, including the buildings and  
17 other improvements thereon, that—

18                   (i) subject to survey and as deter-  
19 mined by the Administrator, is—

20                           (I) located in the District of Co-  
21 lumbia;

22                           (II) generally bounded by Inde-  
23 pendence Avenue, Southwest, 12th  
24 Street, Southwest, Maryland Avenue,

1 Southwest, and 9th Street, Southwest;  
2 and

3 (III) generally consisting of  
4 Squares 351–N, 351, 383, 384, and  
5 385 and portions of Squares 325 and  
6 352; and

7 (ii) is under the jurisdiction and con-  
8 trol of the General Services Administra-  
9 tion.

10 (B) SW ECODISTRICT PLAN.—The term  
11 “SW Ecodistrict Plan” means the plan of the  
12 National Capital Planning Commission titled  
13 “The SW Ecodistrict: A Vision Plan For A  
14 More Sustainable Future” and dated January  
15 2013.

16 (b) REPLACEMENT OF HEADQUARTERS.—Not later  
17 than 2 years after the disposal of the necessary portions  
18 of the Forrestal Complex under subsection (a), the Admin-  
19 istrator shall replace the Department of Energy head-  
20 quarters located on the Forrestal Complex in a Govern-  
21 ment-owned building on Government-owned land.

22 (c) CERTAIN PROHIBITIONS.—The Administrator  
23 shall not lease a new Department of Energy headquarters  
24 or engage in a leaseback of the current headquarters.

1 (d) SALE.—If the Administrator is unable to meet  
2 the conditions of subsection (a), the Administrator shall  
3 sell any underutilized or vacant property on the Forrestal  
4 Complex for cash.

5 (e) NET PROCEEDS.—Any net proceeds received, ex-  
6 ceeding the expenses of implementing subsection (b) or  
7 (d), shall be paid into an account in the Federal Buildings  
8 Fund established under section 592 of title 40, United  
9 States Code. Upon deposit, the net proceeds from the sale  
10 may only be expended subject to a specific future appro-  
11 priation.

12 **SEC. 10. LACTATION ROOM IN PUBLIC BUILDINGS.**

13 (a) LACTATION ROOM IN PUBLIC BUILDINGS.—  
14 Chapter 33 of title 40, United States Code, is amended  
15 by adding at the end the following new section:

16 **“§ 3318. Lactation room in public buildings**

17 “(a) DEFINITIONS.—In this section the following  
18 definitions apply:

19 “(1) APPROPRIATE AUTHORITY.—The term ‘ap-  
20 propriate authority’ means the head of a Federal  
21 agency, the Architect of the Capitol, or other official  
22 authority responsible for the operation of a public  
23 building.

24 “(2) COVERED PUBLIC BUILDING.—The term  
25 ‘covered public building’ means a public building (as

1 defined in section 3301) that is open to the public  
2 and contains a public restroom, and includes a build-  
3 ing listed in section 6301 or 5101.

4 “(3) LACTATION ROOM.—The term ‘lactation  
5 room’ means a hygienic place, other than a bath-  
6 room, that—

7 “(A) is shielded from view;

8 “(B) is free from intrusion; and

9 “(C) contains a chair, a working surface,  
10 and, if the public building is otherwise supplied  
11 with electricity, an electrical outlet.

12 “(b) LACTATION ROOM REQUIRED.—Except as pro-  
13 vided in subsection (c), the appropriate authority of a cov-  
14 ered public building shall ensure that the building contains  
15 a lactation room that is made available for use by mem-  
16 bers of the public to express breast milk.

17 “(c) EXCEPTIONS.—A covered public building may be  
18 excluded from the requirement in subsection (b) at the dis-  
19 cretion of the appropriate authority if—

20 “(1) the public building—

21 “(A) does not contain a lactation room for  
22 employees who work in the building; and

23 “(B) does not have a room that could be  
24 repurposed as a lactation room or a space that



1 (2) by adding at the end the following:

2 “(B) REVOLVING LOAN FUND PROGRAM.—

3 The Secretary may release, subject to terms  
4 and conditions the Secretary determines appro-  
5 priate, the Federal Government’s interest in  
6 connection with a grant under section 209(d)  
7 not less than 7 years after final disbursement  
8 of the grant, if—

9 “(i) the recipient has carried out the  
10 terms of the award in a satisfactory man-  
11 ner;

12 “(ii) any proceeds realized from the  
13 release of the Federal Government’s inter-  
14 est will be used for one or more activities  
15 that continue to carry out the economic de-  
16 velopment purposes of this Act; and

17 “(iii) the recipient shall provide ade-  
18 quate assurance to the Secretary that at  
19 all times after release of the Federal Gov-  
20 ernment’s interest in connection with the  
21 grant, the recipient will be responsible for  
22 continued compliance with the require-  
23 ments of section 602 in the same manner  
24 it was responsible prior to release of the  
25 Federal Government’s interest and that



1 the recipient's failure to comply shall result  
2 in the Secretary taking appropriate action,  
3 including rescission of the release and re-  
4 covery of the Federal share of the grant.”.

5 **SEC. 12. FEDERAL PROTECTIVE SERVICE.**

6 (a) Section 1315 of title 40, United States Code, is  
7 amended by adding at the end the following new sub-  
8 section:

9 “(h) CONTRACT SECURITY PERSONNEL.—

10 “(1) AUTHORITIES FOR CONTRACT SECURITY  
11 PERSONNEL.—

12 “(A) CARRYING OF FIREARMS.—The Sec-  
13 retary may authorize contract security per-  
14 sonnel engaged in the protection of buildings  
15 and grounds that are owned, occupied, or se-  
16 cured by the General Services Administration  
17 Public Buildings Service to carry firearms to  
18 carry out their official duties.

19 “(B) DETENTION WITHOUT A WARRANT.—  
20 A person authorized to carry a firearm under  
21 this subsection may, while in the performance  
22 of, and in connection with, official duties, de-  
23 tain an individual without a warrant for any of-  
24 fense against the United States committed in  
25 that person's presence or for any felony cog-

1 nizable under the laws of the United States if  
2 that person has reasonable grounds to believe  
3 that the individual to be detained has com-  
4 mitted or is committing such felony. The deten-  
5 tion authority conferred by this paragraph is in  
6 addition to any detention authority provided  
7 under other laws.

8 “(2) LIMITATIONS.—The following limitations  
9 apply:

10 “(A) DETENTION.—Contract security per-  
11 sonnel authorized to carry firearms under this  
12 section may detain an individual only if the in-  
13 dividual to be detained is within, or in direct  
14 flight from, the area of such offense.

15 “(B) ENFORCEMENT OF CERTAIN LAWS.—  
16 A person granted authority to detain under this  
17 section may exercise such authority only to en-  
18 force laws regarding any building and grounds  
19 and all property located in or on that building  
20 and grounds that are owned, occupied, or se-  
21 cured by the General Services Administration  
22 Public Buildings Service.

23 “(3) GUIDANCE.—The Secretary, with the ap-  
24 proval of the Attorney General, shall issue guidelines  
25 to implement this section.”.

1 (b) Section 1315(b) of title 40, United States Code,  
2 is amended—

3 (1) by inserting “and” at the end of subpara-  
4 graph (D);

5 (2) by striking “; and” at the end of subpara-  
6 graph (E) and inserting a period; and

7 (3) by striking subparagraph (F).

8 (c) Section 1315(b) of title 40, United States Code,  
9 is amended by adding at the end the following new para-  
10 graphs:

11 “(3) MINIMUM TRAINING STANDARDS.—The  
12 Secretary, in consultation with the Director of the  
13 Federal Protective Service and in accordance with  
14 guidelines issued by the Attorney General, shall es-  
15 tablish minimum and uniform training standards for  
16 any employee designated as an officer or agent to  
17 carry out and exercise authority pursuant to this  
18 section. Such minimum standards shall include on-  
19 going training certified by the Director of the Fed-  
20 eral Protective Service.

21 “(4) NOTIFICATION OF DESIGNATIONS AND  
22 DELEGATIONS.—The Secretary shall submit written  
23 notification of any approved designations or delega-  
24 tions of any authority provided under this section,  
25 including the purposes and scope of such designa-

1 tions or delegations, not within the Federal Protec-  
2 tive Service, to the Committee on Transportation  
3 and Infrastructure of the House of Representatives  
4 and the Committees on Environment and Public  
5 Works and Homeland Security and Governmental  
6 Affairs of the Senate, including the purpose for such  
7 designations or delegations, oversight protocols es-  
8 tablished to ensure compliance with any require-  
9 ments, including compliance with training require-  
10 ments, and other specifics regarding such designa-  
11 tions and delegations.”.

12 **SEC. 13. EVALUATION OF FEDERAL PROTECTIVE SERVICE**  
13 **PERSONNEL NEEDS.**

14 (a) **PERSONNEL AND FUNDING NEEDS OF FEDERAL**  
15 **PROTECTIVE SERVICE.—**

16 (1) **IN GENERAL.—**Not later than 180 days  
17 after the date of enactment of this Act and after re-  
18 view by a qualified consultant pursuant to paragraph  
19 (2), the Secretary of Homeland Security shall sub-  
20 mit a report to the appropriate congressional com-  
21 mittees on the personnel needs of the Federal Pro-  
22 tective Service that includes recommendations on the  
23 numbers of Federal Protective Service law enforce-  
24 ment officers and the workforce composition of the  
25 Federal Protective Service needed to carry out the

1 mission of such Service during the 10-fiscal-year pe-  
2 riod beginning after the date of enactment of this  
3 Act.

4 (2) REVIEW AND COMMENT.—The Secretary  
5 shall provide the report prepared under this section  
6 to a qualified consultant for review and comment be-  
7 fore submitting the report to the appropriate con-  
8 gressional committees. The Secretary shall provide  
9 the comments of the qualified consultant to the ap-  
10 propriate congressional committee with the report.

11 (3) CONTENTS.—The report under this section  
12 shall include an evaluation of—

13 (A) the option of posting a full-time equiv-  
14 alent Federal Protective Service law enforce-  
15 ment officer at each level 3 or 4 Federal facil-  
16 ity, as determined by the Interagency Security  
17 Committee, that on the date of enactment of  
18 this Act has a protective security officer sta-  
19 tioned at the facility;

20 (B) the potential increase in security of  
21 any option evaluated under subparagraph (A);

22 (C) the immediate and projected costs of  
23 any option evaluated under such subparagraph;  
24 and

1           (D) the immediate and projected costs of  
2           maintaining the current level of protective secu-  
3           rity officers and full-time Federal Protective  
4           Service law enforcement officers.

5           (b) REPORT ON FUNDING.—Not later than 180 days  
6           after the date of enactment of this Act, the Secretary shall  
7           submit to the appropriate congressional committees a re-  
8           port on the best method of funding for the Federal Protec-  
9           tive Service, which shall include recommendations regard-  
10          ing whether the Federal Protective Service should—

11           (1) continue to be funded by a collection of fees  
12          and security charges;

13           (2) be funded by appropriations; or

14           (3) be funded by a combination of fees, security  
15          charges, and appropriations.

○