

116TH CONGRESS
1ST SESSION

H. R. 3158

To establish a pilot program to execute lease agreements using alternative procedures, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 6, 2019

Mr. MEADOWS (for himself and Mr. PENCE) introduced the following bill;
which was referred to the Committee on Transportation and Infrastructure

A BILL

To establish a pilot program to execute lease agreements
using alternative procedures, 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. STREAMLINED LEASING PILOT PROGRAM.**

4 (a) EXECUTION OF LEASES.—The Administrator of
5 General Services shall establish and conduct a pilot pro-
6 gram to execute lease agreements using alternative proce-
7 dures pursuant to authority provided under section 585
8 of title 40, United States Code, and pursuant to the provi-
9 sions of this section.

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

3 (1) reducing the costs to the Government of
4 leased space, including—

5 (A) executing long-term leases with firm
6 terms of 10 years or more and reducing costly
7 holdover and short-term lease extensions, in-
8 cluding short firm term leases;

9 (B) improving office space utilization rates
10 of Federal tenants; and

11 (C) streamlining and simplifying the leas-
12 ing process to take advantage of real estate
13 markets; and

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

16 (c) LEASEHOLD INTERESTS IN REAL PROPERTY.—

17 (1) SIMPLIFIED PROCEDURES.—Notwith-
18 standing subsection (b) of section 3305 of title 41,
19 United States Code, but otherwise in accordance
20 with such section, the Administrator shall provide
21 special simplified procedures for acquisitions of
22 leasehold interests in real property at rental rates
23 that do not exceed the simplified lease acquisition
24 threshold, as defined in paragraph (2). The rental
25 rate under a multiyear lease does not exceed the

1 simplified lease acquisition threshold if the average
2 annual amount of the rent payable for the period of
3 the lease does not exceed such threshold.

4 (2) ACQUISITION THRESHOLD.—For purposes
5 of this section, the simplified lease acquisition
6 threshold is \$500,000.

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

15 (1) COST PER SQUARE FOOTAGE.—The cost per
16 square footage does not exceed the maximum pro-
17 posed rental rate designated for the respective geo-
18 graphical area.

19 (2) SPACE UTILIZATION.—The overall space
20 utilization rate is 170 usable square feet per person
21 or less based on actual agency staffing levels when
22 occupied.

23 (3) LEASE TERM.—The lease firm term is 10
24 years or greater.

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

9 (5) SUBMARKETS.—Agencies may consider
10 space in submarket locations that meet mission re-
11 quirements.

12 (e) CONSOLIDATIONS GENERALLY.—The Adminis-
13 trator may consolidate more than one project into a single
14 prospectus submitted pursuant to section 3307(b) of title
15 40, United States Code, if such consolidation will facilitate
16 efficiencies and reductions in overall space and improved
17 utilization rates.

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

19 (1) waive notice and comment rulemaking, if
20 the Administrator determines the waiver is necessary
21 to implement this section expeditiously; and

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

24 (g) REPORTS.—

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

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

14 (B) the percentage of leases managed in-
15 house or through the use of commercial real es-
16 tate leasing services.

17 (2) FINAL REPORT.—Not later than 180 days
18 after termination of the pilot program, the Adminis-
19 trator shall submit a final report to the Committee
20 on Transportation and Infrastructure of the House
21 of Representatives and the Committee on Environ-
22 ment and Public Works of the Senate. The final re-
23 port shall include—

24 (A) a review and evaluation of the lease
25 agreements executed under the alternative pro-

1 cedures established pursuant to this section in
2 comparison to those agreements not executed
3 pursuant to the alternative procedures;

4 (B) recommendations on any permanent
5 changes to the General Services Administra-
6 tion's leasing authority; and

7 (C) a progress evaluation in meeting the
8 goals described in subsection (b).

9 (h) TERMINATION.—The authorities under this sec-
10 tion shall terminate on December 31, 2024.

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