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H. R. 1205

To amend title 40, United States Code, to enhance authorities with regard to the disposal of real property, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 2011

Mr. QUIGLEY (for himself and Mr. CUMMINGS) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To amend title 40, United States Code, to enhance authorities with regard to the disposal of real property, 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 “Federal Real Property
5 Disposal Enhancement Act of 2011”.

6 **SEC. 2. DUTIES OF THE GENERAL SERVICES ADMINISTRA-**
7 **TION AND EXECUTIVE AGENCIES.**

8 (a) IN GENERAL.—Section 524 of title 40, United
9 States Code, is amended to read as follows:

1 **“§ 524. Duties of the General Services Administration**
2 **and executive agencies**

3 “(a) DUTIES OF THE GENERAL SERVICES ADMINIS-
4 TRATION.—

5 “(1) GUIDANCE.—Not later than 6 months
6 after the date of the enactment of this section, and
7 when necessary thereafter, the Administrator of
8 General Services shall issue guidance for the devel-
9 opment and implementation of executive agency real
10 property plans. Such guidance shall include rec-
11 ommendations on—

12 “(A) how to identify excess properties;

13 “(B) how to evaluate the costs and benefits
14 involved with disposing of real property;

15 “(C) how to prioritize disposal decisions
16 based on agency missions and anticipated fu-
17 ture need for holdings; and

18 “(D) how best to dispose of those prop-
19 erties identified as excess to meet the needs of
20 the agency.

21 “(2) ANNUAL REPORT.—

22 “(A) IN GENERAL.—The Administrator
23 shall submit an annual report, for each of the
24 first 5 years after 2011, to the congressional
25 committees listed in subparagraph (C) based on
26 data submitted from all executive agencies, de-

1 tailing executive agency efforts to reduce real
2 property assets and the information required by
3 subparagraph (B).

4 “(B) REPORT CONTENTS.—The report
5 shall contain the following information for the
6 year covered by the report:

7 “(i) The aggregated estimated market
8 value and number of real property assets
9 under the custody and control of all execu-
10 tive agencies, set forth government-wide
11 and by agency, and for each at the con-
12 structed asset level and at the facility/in-
13 stallation level.

14 “(ii) The aggregated estimated mar-
15 ket value and number of surplus and ex-
16 cess real property assets under the custody
17 and control of all executive agencies, set
18 forth government-wide and by agency, and
19 for each at the constructed asset level and
20 at the facility/installation level.

21 “(iii)(I) The aggregated cost for
22 maintaining all surplus and excess real
23 property under the custody and control of
24 all executive agencies, set forth govern-
25 ment-wide and by agency, and for each at

1 the constructed asset level and at the facil-
2 ity/installation level.

3 “(II) For purposes of subclause (I),
4 costs for real properties owned by the Fed-
5 eral Government shall include recurring
6 maintenance and repair costs, utilities,
7 cleaning and janitorial costs, and roads
8 and grounds expenses.

9 “(III) For purposes of subclause (I),
10 costs for real properties leased by the Fed-
11 eral Government shall include lease costs,
12 including base and operating rent and any
13 other relevant costs listed in subclause (II)
14 not covered in the lease contract.

15 “(iv) The aggregated estimated de-
16 ferred maintenance costs of all real prop-
17 erty under the custody and control of all
18 executive agencies, set forth government-
19 wide and by agency, and for each at the
20 constructed asset level and at the facility/
21 installation level.

22 “(v) For each surplus and excess real
23 property facility/installation disposed of, an
24 indication of—

1 “(I) the geographic location with
2 address and description of such prop-
3 erty;

4 “(II) the size, including square
5 footage and acreage, of such property;

6 “(III) the date and method of
7 disposal;

8 “(IV) the estimated replacement
9 value of such property; and

10 “(V) the proceeds obtained from
11 the disposition of such property.

12 “(vi) The amount of time required to
13 fully dispose of surplus and excess real
14 property under the custody and control of
15 all executive agencies, set forth govern-
16 ment-wide and by agency, and for each at
17 the constructed asset level and at the facil-
18 ity/installation level.

19 “(vii) The cost to dispose of surplus
20 and excess real property under the custody
21 and control of all executive agencies, set
22 forth government-wide and by agency, and
23 for each at the constructed asset level and
24 at the facility/installation level.

1 “(viii) Such other information as the
2 Administrator considers appropriate.

3 “(C) CONGRESSIONAL COMMITTEES.—The
4 congressional committees listed in this subpara-
5 graph are as follows:

6 “(i) The Committee on Oversight and
7 Government Reform and the Committee on
8 Transportation and Infrastructure of the
9 House of Representatives.

10 “(ii) The Committee on Homeland Se-
11 curity and Governmental Affairs and the
12 Committee on Environment and Public
13 Works of the Senate.

14 “(3) ASSISTANCE.—The Administrator shall as-
15 sist executive agencies in the identification and dis-
16 posal of excess real property.

17 “(b) DUTIES OF EXECUTIVE AGENCIES.—

18 “(1) IN GENERAL.—Each executive agency
19 shall—

20 “(A) maintain adequate inventory controls
21 and accountability systems for property under
22 its control;

23 “(B) continuously survey property under
24 its control to identify excess property;

1 “(C) promptly report excess property to
2 the Administrator;

3 “(D) perform the care and handling of ex-
4 cess property; and

5 “(E) transfer or dispose of excess property
6 as promptly as possible in accordance with au-
7 thority delegated and regulations prescribed by
8 the Administrator.

9 “(2) SPECIFIC REQUIREMENTS WITH RESPECT
10 TO REAL PROPERTY.—With respect to real property,
11 each executive agency shall—

12 “(A) develop and implement a real prop-
13 erty plan in order to identify properties to de-
14 clare as excess using the guidance issued under
15 subsection (a)(1);

16 “(B) identify and categorize all real prop-
17 erty owned, leased, or otherwise managed by
18 the agency;

19 “(C) establish adequate goals and incen-
20 tives that lead the agency to reduce excess real
21 property in such agency’s inventory;

22 “(D) demonstrate, before declaring any
23 real property as excess, that there will be no
24 loss of public recreational opportunities or other

1 public benefits as a result of declaring the real
2 property as excess; and

3 “(E) when appropriate, use the authorities
4 in section 572(a)(2)(B) of this title in order to
5 identify and prepare real property to be re-
6 ported as excess.

7 “(3) ADDITIONAL REQUIREMENTS.—Each execu-
8 tive agency, as far as practicable, shall—

9 “(A) reassign property to another activity
10 within the agency when the property is no
11 longer required for the purposes of the appro-
12 priation used to make the purchase;

13 “(B) transfer excess property under its
14 control to other Federal agencies and to organi-
15 zations specified in section 321(c)(2) of this
16 title; and

17 “(C) obtain excess properties from other
18 Federal agencies to meet mission needs before
19 acquiring non-Federal property.”.

20 (b) CLERICAL AMENDMENT.—The item relating to
21 section 524 in the table of sections at the beginning of
22 chapter 5 of such title is amended to read as follows:

“524. Duties of the General Services Administration and executive agencies.”.

1 **SEC. 3. ENHANCED AUTHORITIES WITH REGARD TO PRE-**
2 **PARING PROPERTIES TO BE REPORTED AS**
3 **EXCESS.**

4 Section 572(a)(2) of title 40, United States Code, is
5 amended—

6 (1) by redesignating subparagraphs (B) and
7 (C) as subparagraphs (C) and (D), respectively; and

8 (2) by inserting after subparagraph (A) the fol-
9 lowing new subparagraph:

10 “(B) **ADDITIONAL AUTHORITY.**—(i) From
11 the fund described in paragraph (1), subject to
12 clause (iv) of this subparagraph, the Adminis-
13 trator may obligate an amount to pay the direct
14 and indirect costs related to identifying and
15 preparing properties to be reported excess by
16 another agency.

17 “(ii) The General Services Administration
18 shall be reimbursed from the proceeds of the
19 sale of such properties for such costs.

20 “(iii) Net proceeds shall be dispersed pur-
21 suant to section 571 of this title.

22 “(iv) The authority under clause (i) to ob-
23 ligate funds to prepare properties to be reported
24 excess does not include the authority to convey
25 such properties by use, sale, lease, exchange, or

1 otherwise, including through leaseback arrange-
 2 ments or service agreements.

3 “(v) Nothing in this subparagraph is in-
 4 tended to affect subparagraph (D).”.

5 **SEC. 4. ENHANCED AUTHORITIES WITH REGARD TO RE-**
 6 **VERTED REAL PROPERTY.**

7 (a) **AUTHORITY TO PAY EXPENSES RELATED TO RE-**
 8 **VERTED REAL PROPERTY.**—Section 572(a)(2)(A) of title
 9 40, United States Code, is amended by adding at the end
 10 the following:

11 “(iv) The direct and indirect costs as-
 12 sociated with the reversion, custody, and
 13 disposal of reverted real property.”.

14 (b) **REQUIREMENTS RELATED TO SALES OF RE-**
 15 **VERTED PROPERTY UNDER SECTION 550.**—Section
 16 550(b)(1) of title 40, United States Code, is amended—

17 (1) by inserting “(A)” after “(1) IN GEN-
 18 ERAL.—”; and

19 (2) by adding at the end the following: “If the
 20 official, in consultation with the Administrator, rec-
 21 ommends reversion of the property, the Adminis-
 22 trator shall take control of such property, and, sub-
 23 ject to subparagraph (B), sell it at or above ap-
 24 praised fair market value for cash and not by lease,

1 exchange, leaseback arrangements, or service agree-
2 ments.

3 “(B) Prior to sale, the Administrator shall
4 make such property available to State and local gov-
5 ernments and certain non-profit institutions or orga-
6 nizations pursuant to this section and sections 553
7 and 554 of this title.”.

8 (c) REQUIREMENTS RELATED TO SALES OF RE-
9 VERTED PROPERTY UNDER SECTION 553.—Section
10 553(e) of title 40, United States Code, is amended—

11 (1) by inserting “(1)” after “THIS SECTION.—
12 ”; and

13 (2) by adding at the end the following: “If the
14 Administrator determines that reversion of the prop-
15 erty is necessary to enforce compliance with the
16 terms of the conveyance, the Administrator shall
17 take control of such property and, subject to para-
18 graph (2), sell it at or above appraised fair market
19 value for cash and not by lease, exchange, leaseback
20 arrangements, or service agreements.

21 “(2) Prior to sale, the Administrator shall make
22 such property available to State and local govern-
23 ments and certain non-profit institutions or organi-
24 zations pursuant to this section and sections 550
25 and 554 of this title.”.

1 (d) REQUIREMENTS RELATED TO SALES OF RE-
2 VERTED PROPERTY UNDER SECTION 554.—Section
3 554(f) of title 40, United States Code, is amended—

4 (1) by inserting “(1)” after “THIS SECTION.—
5 ”; and

6 (2) by adding at the end the following: “If the
7 Secretary, in consultation with the Administrator,
8 recommends reversion of the property, the Adminis-
9 trator shall take control of such property and, sub-
10 ject to paragraph (2), sell it at or above appraised
11 fair market value for cash and not by lease, ex-
12 change, leaseback arrangements, or service agree-
13 ments.

14 “(2) Prior to sale, the Administrator shall make
15 such property available to State and local govern-
16 ments and certain non-profit institutions or organi-
17 zations pursuant to this section and sections 550
18 and 553 of this title.”.

19 **SEC. 5. AGENCY RETENTION OF PROCEEDS.**

20 The text of section 571 of title 40, United States
21 Code, is amended to read as follows:

22 “(a) PROCEEDS FROM TRANSFER OR SALE OF REAL
23 PROPERTY.—

24 “(1) DEPOSIT OF NET PROCEEDS.—Net pro-
25 ceeds described in subsection (d) shall be deposited

1 into the appropriate real property account of the
2 agency that had custody and accountability for the
3 real property at the time the real property is deter-
4 mined to be excess.

5 “(2) EXPENDITURE OF NET PROCEEDS.—The
6 net proceeds deposited pursuant to paragraph (1)
7 may only be expended—

8 “(A) as authorized in annual appropria-
9 tions Acts, for activities described in section
10 524(b) of this title and disposal activities, in-
11 cluding paying costs incurred by the General
12 Services Administration for any disposal-related
13 activity authorized by this title; and

14 “(B) as authorized in annual appropria-
15 tions Acts, by the agency for maintenance and
16 repairs of such agency’s real property necessary
17 for such real property’s disposal or for the re-
18 pair or alteration of the agency’s other real
19 property, except that proceeds may not be au-
20 thorized for expenditure in an appropriations
21 Act for any repair or alteration project that is
22 subject to the requirements of section 3307 of
23 this title without a prospectus submitted by the
24 General Services Administration and approved
25 by the Committee on Transportation and Infra-

1 structure of the House of Representatives and
2 the Committee on Environment and Public
3 Works of the Senate.

4 “(3) DEFICIT REDUCTION.—Any net proceeds
5 described in subsection (d) from the sale, lease, or
6 other disposition of surplus real property that are
7 not expended under paragraph (2) shall be used for
8 deficit reduction.

9 “(b) EFFECT ON OTHER SECTIONS.—Nothing in this
10 section is intended to affect section 572(b), 573, or 574
11 of this title.

12 “(c) DISPOSAL AGENCY FOR REVERTED PROP-
13 erty.—For the purposes of this section, for any real
14 property that reverts to the United States under sections
15 550, 553, and 554 of this title, the General Services Ad-
16 ministration, as the disposal agency, shall be treated as
17 the agency with custody and accountability for the real
18 property at the time the real property is determined to
19 be excess.

20 “(d) NET PROCEEDS.—The net proceeds described in
21 this subsection are proceeds under this chapter, less ex-
22 penses of the transfer or disposition as provided in section
23 572(a) of this title, from a—

24 “(1) transfer of excess real property to a Fed-
25 eral agency for agency use; or

1 “(2) sale, lease, or other disposition of surplus
2 real property.

3 “(e) PROCEEDS FROM TRANSFER OR SALE OF PER-
4 SONAL PROPERTY.—

5 “(1) IN GENERAL.—Except as otherwise pro-
6 vided in this subchapter, proceeds described in para-
7 graph (2) shall be deposited in the Treasury as mis-
8 cellaneous receipts.

9 “(2) PROCEEDS.—The proceeds described in
10 this paragraph are proceeds under this chapter
11 from—

12 “(A) a transfer of excess personal property
13 to a Federal agency for agency use; or

14 “(B) a sale, lease, or other disposition of
15 surplus personal property.

16 “(3) PAYMENT OF EXPENSES OF SALE BEFORE
17 DEPOSIT.—Subject to regulations under this sub-
18 title, the expenses of the sale of personal property
19 may be paid from the proceeds of sale so that only
20 the net proceeds are deposited in the Treasury. This
21 paragraph applies whether proceeds are deposited as
22 miscellaneous receipts or to the credit of an appro-
23 priation as authorized by law.”.

1 **SEC. 6. DEMONSTRATION AUTHORITY.**

2 (a) IN GENERAL.—Subchapter II of chapter 5 of title
3 40, United States Code, is amended by adding at the end
4 the following new section:

5 **“§ 530. Demonstration program of inapplicability of**
6 **certain requirements of law**

7 “(a) AUTHORITY.—Effective for fiscal years 2011
8 and 2012, the requirements of section 501(a) of the
9 McKinney-Vento Homeless Assistance Act (42 U.S.C.
10 11411(a)) shall not apply to eligible properties.

11 “(b) ELIGIBLE PROPERTIES.—A property is eligible
12 for purposes of subsection (a) if it meets both of the fol-
13 lowing requirements:

14 “(1) The property is selected for demolition by
15 an agency and is a Federal building or other Federal
16 real property located on land not determined to be
17 excess, for which there is an ongoing Federal need,
18 and not to be used in any lease, exchange, leaseback
19 arrangement, or service agreement.

20 “(2) The property is—

21 “(A) located in an area to which the gen-
22 eral public is denied access in the interest of
23 national security and where alternative access
24 cannot be provided for the public without com-
25 promising national security; or

26 “(B) the property is—

- 1 “(i) uninhabitable;
- 2 “(ii) not a housing unit; and
- 3 “(iii) selected for demolition by an
- 4 agency because either—
- 5 “(I) the demolition is necessary
- 6 to further an identified Federal need
- 7 for which funds have been authorized
- 8 and appropriated; or
- 9 “(II) the property poses risk to
- 10 human health and safety or has be-
- 11 come an attractive nuisance.

12 “(c) LIMITATIONS.—

13 “(1) DEPARTMENT OF VETERANS AFFAIRS.—A

14 property of the Department of Veterans Affairs may

15 not be considered an eligible property for purposes

16 of subsection (a).

17 “(2) REQUIREMENTS AND NOTIFICATIONS.—

18 With respect to an eligible property described in sub-

19 section (b), the land underlying the property remains

20 subject to all public benefit requirements and notifi-

21 cations for disposal.

22 “(d) NOTIFICATION TO CONGRESS.—

23 “(1) LIST OF ELIGIBLE PROPERTIES.—A list of

24 each eligible property described in subsection (b)

25 that is demolished or scheduled for demolition, by

1 date of demolition or projected demolition date, shall
2 be sent to the congressional committees listed in
3 paragraph (2) and published on the website of the
4 General Services Administration biannually begin-
5 ning 6 months after the date of the enactment of
6 this section.

7 “(2) CONGRESSIONAL COMMITTEES.—The con-
8 gressional committees listed in this paragraph are as
9 follows:

10 “(A) The Committee on Oversight and
11 Government Reform and the Committee on
12 Transportation and Infrastructure of the House
13 of Representatives.

14 “(B) The Committee on Homeland Secu-
15 rity and Governmental Affairs and the Com-
16 mittee on Environment and Public Works of the
17 Senate.

18 “(e) RELATIONSHIP TO OTHER PROVISIONS OF
19 LAW.—Nothing in this section may be construed as inter-
20 fering with the requirement for the submission of a pro-
21 spectus to Congress as established by section 3307 of this
22 title or for all demolitions to be carried out pursuant to
23 section 527 of this title.”.

24 (b) CLERICAL AMENDMENT.—The table of sections
25 at the beginning of chapter 5 of title 40, United States

1 Code, is amended by inserting after the item relating to
2 section 529 the following new item:

“530. Demonstration program of inapplicability of certain requirements of law.”.

3 **SEC. 7. FEDERAL REAL PROPERTY DATABASE.**

4 (a) IN GENERAL.—Subchapter II of chapter 5 of title
5 40, United States Code, as amended by section 6, is fur-
6 ther amended by adding at the end the following new sec-
7 tion:

8 **“§ 531. Federal real property database**

9 “(a) DATABASE REQUIRED.—Not later than one year
10 after the date of the enactment of this section, the Admin-
11 istrator of the General Services Administration shall es-
12 tablish and maintain a single, comprehensive, and descrip-
13 tive database of all Federal real property under the cus-
14 tody and control of all executive agencies, other than Fed-
15 eral real property excluded for reasons of national secu-
16 rity, in accordance with subsection (b).

17 “(b) REQUIRED INFORMATION FOR DATABASE.—The
18 Administrator shall collect from the head of each executive
19 agency descriptive information, except for classified infor-
20 mation, of the nature, use, and extent of the Federal real
21 property of each such agency, including the following:

22 “(1) The geographic location of each Federal
23 real property of each such agency, including the ad-
24 dress and description for each such property.

1 “(2) The total size of each Federal real prop-
2 erty of each such agency, including square footage
3 and acreage of each such property.

4 “(3) The relevance of each Federal real prop-
5 erty to the agency’s mission.

6 “(4) The level of use of each Federal real prop-
7 erty for each such agency, including whether such
8 property is excess, surplus, underutilized, or unuti-
9 lized.

10 “(5) The number of days each Federal real
11 property is designated as excess, surplus, underuti-
12 lized, or unutilized.

13 “(6) The annual operating costs of each Fed-
14 eral real property.

15 “(7) The replacement value of each Federal
16 real property.

17 “(c) ACCESS TO DATABASE.—

18 “(1) FEDERAL AGENCIES.—The Administrator
19 shall, in consultation with the Director of the Office
20 of Management and Budget, make the database es-
21 tablished and maintained under this section available
22 to other Federal agencies.

23 “(2) PUBLIC ACCESS.—To the extent consistent
24 with national security, the database shall be acces-

1 sible by the public at no cost through the website of
2 the General Services Administration.

3 “(d) APPLICABILITY.—Nothing in this section may
4 be construed to require an agency to make available to
5 the public information that is exempt from disclosure pur-
6 suant to section 552(b) of title 5, United States Code.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
8 at the beginning of chapter 5 of title 40, United States
9 Code, is amended by inserting after the item relating to
10 section 530 the following new item:

“531. Federal real property database.”.

11 **SEC. 8. SUSTAINABLE DISPOSAL OF PROPERTY.**

12 (a) IN GENERAL.—Subchapter III of chapter 5 of
13 title 40, United States Code, is amended by adding at the
14 end the following new section:

15 **“§ 560. Sustainable disposal of property**

16 “The head of each Federal agency shall divert at
17 least 50 percent of construction and demolition materials
18 and debris by the end of fiscal year 2015.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of chapter 5 of title 40, United States
21 Code, is amended by inserting after the item relating to
22 section 559 the following new item:

“560. Sustainable disposal of property.”.

○