

112TH CONGRESS
1ST SESSION

H. R. 3494

To restore faith and trust in the United States economy and financial system by reducing Federal spending, reducing the size of the Federal workforce, liquidating certain property and assets of the Federal Government, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 2011

Mr. HECK introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committees on Appropriations, the Budget, and Natural Resources, 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

A BILL

To restore faith and trust in the United States economy and financial system by reducing Federal spending, reducing the size of the Federal workforce, liquidating certain property and assets of the Federal Government, 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; FINDINGS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Restoring America’s Faith and Trust Act”.

1 (b) FINDINGS.—Congress finds the following:

2 (1) The Federal budget deficit has
3 unsustainably been more than \$1 trillion for each of
4 fiscal years 2009, 2010, and 2011.

5 (2) The credit rating of the debt of the United
6 States has been downgraded from AAA to AA+ by
7 Standard and Poor's.

8 (3) The United States needs to take necessary
9 and immediate action to stabilize the debt burden of
10 the Federal government.

11 (4) Congress is obligated to enact policy that
12 restores America's faith and trust.

13 **SEC. 2. REDUCTION OF FEDERAL SPENDING.**

14 (a) RESCISSIONS.—

15 (1) FISCAL YEAR 2012.—Of the discretionary
16 budget authority provided for fiscal year 2012 in all
17 appropriations Acts, 50 percent of the amount that
18 exceeds the discretionary budget authority for fiscal
19 year 2006 in all appropriations Acts is rescinded.

20 (2) FISCAL YEAR 2013.—On October 1, 2012, of
21 the discretionary budget authority provided for fiscal
22 year 2013 in all appropriations Acts, any amount
23 that exceeds the discretionary budget authority pro-
24 vided for fiscal year 2006 in all appropriations Acts
25 is rescinded.

1 (3) FISCAL YEAR 2014.—On October 1, 2013, of
2 the discretionary budget authority provided for fiscal
3 year 2014 in all appropriations Acts, any amount
4 that exceeds the discretionary budget authority pro-
5 vided for fiscal year 2006 in all appropriations Acts
6 is rescinded.

7 (b) SUBSEQUENT APPROPRIATION LAWS.—In the
8 case of any fiscal year 2012, 2013, or 2014 appropriation
9 Act enacted after the enactment of this section, any rescis-
10 sion required by subsections (a)(1), (a)(2), or (a)(3) shall
11 take effect immediately after the enactment of such Act.

12 (c) OMB REPORT.—Within 30 days after the enact-
13 ment of any fiscal year 2012, 2013, or 2014 appropria-
14 tions Act, the Director of the Office of Management and
15 Budget shall submit to the Committees on Appropriations
16 of the House of Representatives and the Senate a report
17 specifying the account and amount of each rescission made
18 pursuant to subsection (a).

19 (d) LIMITATION ON SPENDING INCREASES.—

20 (1) IN GENERAL.—For any fiscal year begin-
21 ning after fiscal year 2013, the total new budget au-
22 thority provided for such fiscal year shall not in-
23 crease from the previous fiscal year level at a rate
24 that is greater than the percentage by which the
25 gross domestic product of the United States in-

1 creases from such previous year. If there is no in-
2 crease in gross domestic product, the total new
3 budget authority for a fiscal year shall not be higher
4 than the previous fiscal year level.

5 (2) MEASUREMENT OF GDP.—For purposes of
6 applying paragraph (1) to a fiscal year, the Bureau
7 of Economic Analysis of the Department of Com-
8 merce shall determine the gross domestic product
9 before the start of the second quarter of the previous
10 fiscal year.

11 **SEC. 3. REDUCTION OF THE FEDERAL WORKFORCE**
12 **THROUGH VOLUNTARY SEPARATION.**

13 (a) LIMITATION.—The President, through the Office
14 of Management and Budget (in consultation with the Of-
15 fice of Personnel Management), shall take appropriate
16 measures to ensure that the total number of Federal em-
17 ployees (as determined under subsection (b)) shall not ex-
18 ceed the total number of Federal employees as of October
19 1, 2007 (as so determined). The reduction of employees
20 from the civil service (as that term is defined in section
21 2101 of title 5, United States Code) required under this
22 subsection shall be achieved only through voluntary sepa-
23 ration of such an employee. Nothing in this section shall
24 be construed to prevent an agency from separating an em-
25 ployee for any other permissible reason.

1 (b) MONITORING AND NOTIFICATION.—The Office of
2 Management and Budget (in consultation with the Office
3 of Personnel Management)—

4 (1) shall continuously monitor all agencies and
5 make a determination, as of 90 days after the date
6 of enactment of this section, and the last day of
7 each quarter of each fiscal year beginning thereafter,
8 as to whether or not the total number of Federal
9 employees exceeds the maximum number allowable
10 under subsection (a); and

11 (2) whenever a determination under paragraph
12 (1) is made that the total number of Federal em-
13 ployees exceeds the maximum number allowable
14 under subsection (a), shall provide written notice to
15 that effect to the President and Congress within 14
16 days after the last day of the quarter to which such
17 determination relates.

18 (c) COMPLIANCE.—Whenever the Office of Manage-
19 ment and Budget provides written notice under subsection
20 (b)(2) that the total number of Federal employees exceeds
21 the maximum number allowable under subsection (a), no
22 agency may thereafter appoint any employee to fill any
23 vacancy within such agency until the Office of Manage-
24 ment and Budget provides written notice to the President
25 and Congress of a determination under subsection (b)(1)

1 that the total number of Federal employees no longer ex-
2 ceeds the maximum number allowable under subsection
3 (a). Any notice under the preceding sentence shall be pro-
4 vided within 14 days after the last day of the quarter to
5 which the determination relates.

6 (d) WAIVER.—

7 (1) EMERGENCIES.—This section may be
8 waived upon a determination by the President
9 that—

10 (A) the existence of a state of war or other
11 national security concern so requires; or

12 (B) the existence of an extraordinary
13 emergency threatening life, health, public safe-
14 ty, property, or the environment so requires.

15 (2) AGENCY EFFICIENCY OR CRITICAL MIS-
16 SION.—This section may be waived, with respect to
17 a particular position or category of positions in an
18 agency, upon a determination by the President and
19 Congress that the efficiency of the agency or the
20 performance of a critical agency mission so requires.

21 (e) COUNTING RULE.—For purposes of this section,
22 any determination of the number of employees in an agen-
23 cy shall be expressed on a full-time equivalent basis.

24 (f) LIMITATION ON PROCUREMENT OF SERVICE CON-
25 TRACTS.—The President, through the Office of Manage-

1 ment and Budget (in consultation with the Office of Per-
2 sonnel Management), shall take appropriate measures to
3 ensure that there is no increase in the procurement of
4 service contracts by reason of the enactment of this sec-
5 tion, except—

6 (1) in cases in which a cost comparison dem-
7 onstrates that such contracts would be to the finan-
8 cial advantage of the Government;

9 (2) in the case of an extraordinary emergency
10 threatening life, health, public safety, property, or
11 the environment; or

12 (3) in cases in which agency efficiency or the
13 performance of a critical agency mission so requires.

14 (g) REGULATIONS.—Any regulations necessary to
15 carry out this section may be prescribed by the President
16 or his designee.

17 (h) DEFINITIONS.—For the purpose of this section—

18 (1) the term “total number of Federal employ-
19 ees” means the total number of Federal employees
20 in all agencies;

21 (2) the term “Federal employee” means an em-
22 ployee as defined by section 2105 of title 5, United
23 States Code; and

24 (3) the term “agency” means an Executive
25 agency as defined by section 105 of title 5, United

1 States Code, excluding the Government Account-
2 ability Office.

3 **SEC. 4. FEDERAL REAL PROPERTY DISPOSAL PROGRAM.**

4 (a) EXPEDITED DISPOSAL OF REAL PROPERTY.—
5 The Administrator of General Services (in this section re-
6 ferred to as the “Administrator”), in consultation with the
7 Director of the Office of Management and Budget (in this
8 section referred to as the “Director”), shall conduct a pro-
9 gram, to be known as the “Federal Real Property Disposal
10 Program”, under which surplus real property may be dis-
11 posed of in accordance with this section.

12 (b) SURPLUS PROPERTY DATABASE.—Not later than
13 90 days after the date of the enactment of this Act, the
14 Administrator, in consultation with the Director, shall es-
15 tablish and maintain a database of all surplus real prop-
16 erty and make such database available to the public.

17 (c) DISPOSAL.—

18 (1) IN GENERAL.—The Administrator shall—

19 (A) not later than September 30 of each
20 year, submit to Congress a report on the total
21 fair market value of all surplus real property
22 for that fiscal year;

23 (B) based on the report submitted pursu-
24 ant to subparagraph (A), dispose of 97% of
25 such total fair market value of surplus real

1 property under the Federal Real Property Dis-
2 posal Program during the following fiscal year;
3 and

4 (C) make such property available for sale
5 to State and local governments and to the pub-
6 lic, in accordance with paragraph (2).

7 (2) EXPEDITED DISPOSAL REQUIREMENTS.—

8 (A) EXPEDITED DISPOSAL OF REAL PROP-
9 erty DEFINED.—For purposes of the Federal
10 Real Property Disposal Program, an “expedited
11 disposal of real property” is a sale of surplus
12 real property for cash that is conducted pursu-
13 ant to the requirements of section 545 of title
14 40, United States Code.

15 (B) FAIR MARKET VALUE REQUIRE-
16 MENT.—Real property sold under the program
17 must be sold at not less than the fair market
18 value as determined by the Administrator in
19 consultation with the head of the executive
20 agency. Costs associated with disposal may not
21 exceed the fair market value of the property un-
22 less the Administrator approves incurring such
23 costs.

24 (C) MONETARY PROCEEDS REQUIRE-
25 MENT.—Real property may be sold under the

1 program only if the property will generate mon-
2 etary proceeds to the Federal Government, as
3 provided in subparagraph (B). A disposal of
4 real property under the program may not in-
5 clude any exchange, trade, transfer, acquisition
6 of like-kind property, or other non-cash trans-
7 action as part of the disposal.

8 (D) PURCHASE BY STATE OR LOCAL GOV-
9 ERNMENT AND THE PUBLIC.—

10 (i) STATE OR LOCAL GOVERNMENT.—

11 The Administrator shall make real prop-
12 erty under the program first available for
13 sale to State and local governments for a
14 period of 45 days.

15 (ii) PUBLIC SALE.—After the expira-

16 tion of the period described in clause (i), if
17 the Administrator has received no offer
18 from a State or local government to pur-
19 chase real property under the program, the
20 Administrator shall make such property
21 available for sale to the public.

22 (iii) EXTENSION.—If the Adminis-

23 trator receives an offer from a State or
24 local government during the period de-
25 scribed in clause (i), the Administrator

1 may have an additional 30 days from the
2 expiration of the period described in clause
3 (i) to finalize the sale. After the expiration
4 of the additional 30 days, the Adminis-
5 trator shall make such property available
6 for sale to the public.

7 (iv) STATE DEFINED.—In this sub-
8 paragraph, the term “State” means each
9 of the several States, the District of Co-
10 lumbia, each territory or possession of the
11 United States, and each federally recog-
12 nized Indian tribe.

13 (E) RULE OF CONSTRUCTION.—Nothing in
14 this section shall be construed as terminating or
15 in any way limiting authorities that are other-
16 wise available to agencies under other provi-
17 sions of law to dispose of Federal real property,
18 except as provided in subparagraph (F).

19 (F) EXEMPTION FROM CERTAIN REQUIRE-
20 MENTS.—Any expedited disposal of real prop-
21 erty conducted under this section shall not be
22 subject to—

23 (i) subchapter IV of chapter 5 of sub-
24 title I of title 40, United States Code;

1 (ii) sections 550 and 553 of title 40,
2 United States Code;

3 (iii) section 501 of the McKinney-
4 Vento Homeless Assistance Act (42 U.S.C.
5 11411);

6 (iv) any other provision of law author-
7 izing the no-cost conveyance of real prop-
8 erty owned by the Federal Government; or

9 (v) any congressional notification re-
10 quirement other than that in section 545
11 of title 40, United States Code.

12 (3) EXCEPTION.—The Director shall not in-
13 clude for purposes of the Federal Real Property Dis-
14 posal Program any parcel of real property, building,
15 or other structure located on such real property that
16 is to be closed or realigned under the Defense Base
17 Closure and Realignment Act of 1990 (10 U.S.C.
18 2687 note).

19 (d) SPECIAL RULES FOR DEPOSIT AND USE OF PRO-
20 CEEDS FROM EXPEDITED DISPOSALS.—

21 (1) REIMBURSEMENT.—Executive agencies that
22 conduct expedited disposals of real property under
23 this section shall be reimbursed from the proceeds
24 for the administrative expenses associated with the
25 disposal of such property. Such amounts will be

1 credited as offsetting collections to the account that
2 incurred such expenses, to remain available until ex-
3 pended subject to appropriations.

4 (2) DISTRIBUTION OF PROCEEDS.—After pay-
5 ment of such administrative costs, the balance of the
6 proceeds shall be distributed as follows:

7 (A) Eighty percent shall be deposited into
8 the General Fund of the Treasury for Federal
9 budget deficit reduction.

10 (B) Twenty percent shall be deposited into
11 the account of the agency that owned the real
12 property and initiated the disposal action. Such
13 funds shall be available without further appro-
14 priation, to remain available for the period of
15 the Federal Real Property Disposal Program,
16 for activities related to Federal real property
17 capital improvements and disposal activities.

18 (e) DEFINITIONS.—In this section:

19 (1) EXECUTIVE AGENCY.—The term “executive
20 agency” has the meaning given that term under sec-
21 tion 102(4) of title 40, United States Code.

22 (2) SURPLUS PROPERTY.—The term “surplus
23 property” has the meaning given that term under
24 section 102(10) of title 40, United States Code.

1 (3) SURPLUS REAL PROPERTY.—The term
2 “surplus real property” means real property that is
3 surplus property.

4 (f) ANNUAL REPORT.—

5 (1) IN GENERAL.—Not later than December 31
6 of each year, the Administrator, in consultation with
7 the Director, shall submit a report to the congress-
8 sional committees listed in paragraph (3) based on
9 data submitted from all executive agencies, for the
10 previous fiscal year, detailing executive agency ef-
11 forts to reduce real property assets and the informa-
12 tion required by paragraph (2).

13 (2) REPORT CONTENTS.—The report shall con-
14 tain the following information:

15 (A) The aggregated estimated market
16 value and number of real property assets under
17 the custody and control of all executive agen-
18 cies, set forth government-wide and by agency,
19 and for each at the constructed asset level and
20 at the facility/installation level.

21 (B) The aggregated estimated market
22 value and number of surplus and excess real
23 property assets under the custody and control
24 of all executive agencies, set forth government-
25 wide and by agency, and for each at the con-

1 structured asset level and at the facility/installa-
2 tion level.

3 (C)(i) The aggregated cost for maintaining
4 all surplus and excess real property under the
5 custody and control of all executive agencies,
6 set forth government-wide and by agency, and
7 for each at the constructed asset level and at
8 the facility/installation level.

9 (ii) For purposes of clause (i), costs for
10 real properties owned by the Federal Govern-
11 ment shall include recurring maintenance and
12 repair costs, utilities, cleaning and janitorial
13 costs, and roads and grounds expenses.

14 (iii) For purposes of clause (i), costs for
15 real properties leased by the Federal Govern-
16 ment shall include lease costs, including base
17 and operating rent and any other relevant costs
18 listed in clause (ii) not covered in the lease con-
19 tract.

20 (D) The aggregated estimated deferred
21 maintenance costs of all real property under the
22 custody and control of all executive agencies,
23 set forth government-wide and by agency, and
24 for each at the constructed asset level and at
25 the facility/installation level.

1 (E) For each surplus real property dis-
2 posed of, an indication of—

3 (i) the geographic location with ad-
4 dress and description of such property;

5 (ii) the size, including square footage
6 and acreage, of such property;

7 (iii) the date and method of disposal;

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

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

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

18 (G) The cost to dispose of surplus and ex-
19 cess real property under the custody and con-
20 trol of all executive agencies, set forth govern-
21 ment-wide and by agency, and for each at the
22 constructed asset level and at the facility/instal-
23 lation level.

24 (H) A description of whether the Adminis-
25 trator disposed of 97% of the total fair market

1 value of surplus real property under the Fed-
2 eral Real Property Disposal Program pursuant
3 to subsection (c).

4 (I) Such other information as the Adminis-
5 trator considers appropriate.

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

9 (A) The Committee on Oversight and Gov-
10 ernment Reform and the Committee on Trans-
11 portation and Infrastructure of the House of
12 Representatives.

13 (B) The Committee on Homeland Security
14 and Governmental Affairs and the Committee
15 on Environment and Public Works of the Sen-
16 ate.

17 **SEC. 5. SALE OF CERTAIN FEDERAL LANDS PREVIOUSLY**
18 **IDENTIFIED AS SUITABLE FOR DISPOSAL.**

19 (a) COMPETITIVE SALE OF LANDS.—The Secretary
20 shall offer the identified Federal lands for disposal by
21 competitive sale for not less than fair market value as de-
22 termined by an independent appraiser.

23 (b) EXISTING RIGHTS.—The sale of identified Fed-
24 eral lands under this section shall be subject to valid exist-
25 ing rights.

1 (c) PROCEEDS OF SALE OF LANDS.—All net proceeds
2 from the sale of identified Federal lands under this section
3 shall be deposited directly into the Treasury for reduction
4 of the public debt.

5 (d) REPORT.—Not later than 4 years after the date
6 of the enactment of this Act, the Secretary shall submit
7 to the Committee on Natural Resources of the House of
8 Representatives and the Committee on Energy and Nat-
9 ural Resources of the Senate—

10 (1) a list of any identified Federal lands that
11 were not sold under subsection (a) and the reasons
12 such lands were not sold; and

13 (2) an updated inventory of all identified Fed-
14 eral lands.

15 (e) DEFINITIONS.—In this section:

16 (1) IDENTIFIED FEDERAL LANDS.—

17 (A) The term “identified Federal lands”
18 means Federal lands that are—

19 (i) under the administrative jurisdic-
20 tion of the Secretary;

21 (ii) located in States where more than
22 50 percent of the total land area is feder-
23 ally owned;

24 (iii) suitable for disposal; and

1 (iv) not described in subparagraph
2 (B).

3 (B) The term “identified Federal lands”
4 does not include the following:

5 (i) Lands not identified for disposal
6 an the applicable land use plan.

7 (ii) Lands subject to a Recreation and
8 Public Purpose conveyance application.

9 (iii) Lands identified for State selec-
10 tion.

11 (iv) Lands identified for Indian tribe
12 allotments.

13 (v) Lands identified for local govern-
14 ment use.

15 (2) SECRETARY.—The term “Secretary” means
16 the Secretary of the Interior.

17 **SEC. 6. FEDERAL PROGRAM SUNSET.**

18 (a) REQUIREMENT TO REAUTHORIZE FEDERAL PRO-
19 GRAMS.—Not later than 90 days after the date of the en-
20 actment of this Act, the Director of the Office of Manage-
21 ment shall submit a plan to Congress that provides for
22 the phased-in expiration of all Federal programs every
23 three years. Any Federal program that is scheduled to ex-
24 pire under the plan must be reauthorized.

1 (b) NO FUNDING THROUGH A CONTINUING RESOLU-
2 TION.—Each program that is reauthorized pursuant to
3 subsection (a) may not be funded through a continuing
4 resolution.

5 (c) PUBLIC RECOMMENDATION AND SIGNED STATE-
6 MENT.—Not later than the date on which the head of each
7 executive agency submits an appropriation request for
8 such agency under section 1108 of title 31, United States,
9 Code, the head of each executive agency shall—

10 (1) make a public recommendation for each
11 Federal program of such agency, including a deter-
12 mination for the reasons each such program exists;
13 and

14 (2) submit a signed statement to Congress for
15 each such Federal program as follows: “As the head
16 of the executive agency responsible for this Federal
17 program, I have reviewed its purpose, mandate, and
18 necessity, and I recommend that Congress appro-
19 priate funding so that the Federal program can con-
20 tinue for the next fiscal year. It is my professional
21 judgment that such Federal program in question
22 serves a significant purpose for which the United
23 States taxpayer is well-served in the use of such tax-
24 payer’s money to fund the program.”.

○