

Testimony by Congressman Mike Quigley
Oversight and Government Reform Committee Hearing on: "Disposal of Federal Real
Property: Legislative Proposals."
Wednesday, July 27, 2011

I want to begin by thanking Chairman Issa and Ranking Member Cummings for holding today's hearing, and for inviting me to testify on behalf of my bill, H.R. 1205. I also want to commend my colleagues, Congressman Chaffetz and Congressman Denham, for their work on this vital issue.

The federal government is the largest property owner in the world, with an inventory of over 900,000 buildings and structures and 41 million acres of land. Yet we waste billions of tax dollars each year maintaining properties we no longer need. The federal government currently maintains 14,000 buildings and structures deemed excess, and over 76,000 properties identified as underutilized. In fiscal year 2009, these underutilized buildings cost us \$1.7 billion to operate annually, and we spent hundreds of millions more on properties we simply do not need. The Government Accountability Office has continuously found that many properties are no longer relevant to their agencies' missions, and that agencies could do a better job of identifying and disposing of unneeded properties.

So why are we paying billions to sit on thousands of unneeded properties? To address this problem I've introduced H.R. 1205, the Federal Real Properties Disposal Enhancement Act. The bill addresses three major hurdles to disposing thousands of unneeded federal properties and generating much-needed revenue.

First, administrative burdens:

Agencies are often deterred from disposing of unneeded property due to a variety of screening processes which can take up to two years and cost millions in maintenance during the process. My bill establishes a pilot program that would exempt certain properties, unlikely to be used as homeless shelters under McKinney-Vento, from a requirement to screen properties for homeless use before disposal.

Second, budgetary disincentives:

Currently agencies avoid disposing of excess property because of the high upfront costs of disposal. Paying for environmental cleanup can cost millions. My bill would allow all agencies to retain the proceeds from the disposition of property, and use those funds, as authorized by Congress, to maintain, repair and dispose of other excess properties. Any funds not used to prepare and dispose of property would be paid back to the Treasury for debt reduction.

The third and final obstacle is the lack of transparency and oversight of federal property.

All federal property information is currently maintained in an extensive database, managed by GSA. But this information is not available to the public, federal workers, or most congressional staff. My bill would require GSA to submit an annual report to Congress that includes information on the number, value, and maintenance costs of all federal properties. This information will also be made available to the public at no cost in an online database.

The transparency my bill will provide is absolutely imperative; because as things stand today, we are flying blind. Let me give you just one example. When I learned about all these valuable excess properties, my staff decided to go take a look at a few of them in my home state of Illinois. After spending eight months going back and forth with various agencies to get the information, we visited a property that was reportedly worth over \$8 million and cost more than \$80,000 per year to maintain. The USDA database said the property was in excellent condition. But, the reality was quite different.

The \$8 million storage facility was in shambles, complete with peeling paint and deteriorated siding; the exterior overtaken by vegetation and the interior looted by vandals. And so it was with scores of other buildings on the site: What the USDA spreadsheet represented as in excellent shape and receiving thousands annually in maintenance was in fact a dilapidated mess. As my staff learned when they toured the site, no money had been spent on maintaining these structures since the mid-1990s. The USDA explained that a formula was used to arrive at the estimates for annual maintenance costs and replacement value, but that the numbers had no relation to reality.

Clearly there is a serious disconnect between what is on our books and the reality on the ground. We can't possibly know what our assets are worth or make a plan to capitalize on them without accurate data. Without better, more transparent data, we are flying blind. I thank the chair and my colleagues again for their work on this issue. I look forward to continuing to bring transparency to our federal properties, selling what we don't need and generating revenue when we need it most.

Get to Know Congressman Mike Quigley

In April 2009, Mike Quigley was elected to represent Illinois' 5th district in the U.S. Congress. For Quigley, it was an opportunity to take his unique style of reform-minded politics and integrity from Cook County to Washington. Prior to his election to Congress, Quigley served for ten years as a Cook County Commissioner, where his tireless efforts to promote transparency and fiscal accountability earned him a reputation as an honest and effective leader and someone constituents could count on to do what's right.

As he enters his second term in Washington, Quigley continues to be driven by the same values and principles that Chicagoans have known for years. In addition to providing **outstanding constituent service** in the district, Quigley is also emerging as a national advocate on several key issues:

A MUCH-NEEDED DOSE OF TRANSPARENCY AND ACCOUNTABILITY

Reforming, streamlining, and reinventing government is central to Mike's efforts. He believes that "sunshine is the best disinfectant," and that a government cannot lead without the public's trust.

- Called for an **Investigation into Countrywide Financial** to determine whether some of Washington's most powerful lawmakers received sweetheart mortgage deals during the height of the housing crisis.
- Introduced the **State Ethics Law Protection Act**, which would prevent the federal government from interfering in Illinois' efforts to fight pay-to-pay.
- Co-founded the **Transparency Caucus** and introduced the **Transparency in Government Act** to bring unprecedented access and accountability to the federal government.

FINANCIAL RESPONSIBILITY FOR A MORE SECURE FUTURE

Mike is committed to making sure taxpayer dollars are spent honestly and judiciously. At a time when families are cutting back, he believes the federal government must do the same.

- Voted for the **Pay-Go Act**, forcing Congress to offset every dollar spent with a dollar saved
- Introduced the **Sustainable Budget Act**, calling for an honest and complete federal budget
- Voted against a **Congressional Pay Raise**, returned **\$100,000** from office budget to pay down the debt

EQUALITY FOR ALL AMERICANS

Mike believes it is our moral obligation to ensure justice for all, and to not allow race, gender, religion, or sexual orientation to divide us.

- Supported legislation and spoke out for the repeal of the military's "**Don't Ask, Don't Tell**" policy
- Co-sponsored the **Respect for Marriage Act**, to recognize and provide benefits for all marriages
- Has been a leader in the fight for **comprehensive immigration reform** and supports the **Uniting American Families Act** to make sure immigration reform includes everyone

PROTECTING THE ENVIRONMENT, CREATING GREEN JOBS

Mike believes that innovative environmental and energy policy is necessary to protect our earth and our health, as well as be a cornerstone for economic growth and job creation.

- Has been called the "...the greenest elected official in Chicago" by the *Chicago Reader*
- Introduced the **Protecting Our Oceans Act**, which changes our nation's offshore drilling policy to make protection of our nation's natural resources our primary concern
- Still **rides his bike** to meetings in DC and participates in local clean-ups when home in Chicago

Quigley completed his undergraduate work at Roosevelt University, earned a master's in public policy from the University of Chicago and a law degree from Loyola University, all in Chicago. He's an avid Chicago Blackhawks fan and plays hockey both in Chicago and Washington. He lives with his wife and two daughters in the Lakeview neighborhood of Chicago—within walking distance of Wrigley Field.

For more information or to contact Mike Quigley, please visit www.quigley.house.gov.