



October 13, 2011

The Honorable Jeff Denham, Chairman
Subcommittee on Economic Development, Public Buildings, and Emergency Response
Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington D.C. 20515

Dear Mr. Chairman:

The Business Coalition for Fair Competition (BCFC) is pleased to support H.R. 1734, the “Civilian Property Realignment Act (CPRA)”.

BCFC (www.governmentcompetition.org) is a national coalition of businesses, associations, taxpayer organizations and think tanks that are committed to reducing all forms of unfair government created, sponsored and provided competition with the private sector. We believe H.R. 1734 will help reduce the size and scope of the Federal government while stimulating the private sector, including small business.

H.R. 1734 will establish a framework, similar to the Base Closure and Realignment Commission (BRAC), to review federal properties and make recommendations for consolidations, co-locations, redevelopment, selling or other actions. This legislation will reduce waste, increase the efficiency of the federal government, and produce significant savings for the taxpayer. The U.S. government is the nation’s largest asset holder. It manages an estimated 896,000 buildings and structures with a total area of some 3.29 billion square feet and more than 41 million acres of land. The General Services Administration (GSA) owns or leases approximately 9,600 assets and maintains an inventory of more than 362 million square feet of space. Further, upon enactment, CPRA will help divest property from the Federal portfolio, thus reducing the burden on the Federal taxpayer, while creating tax revenue for federal, state and local government by expanding the tax base in the private sector.

One area to improve H.R. 1734 is the Federal Real Property Profile, or official GSA inventory. In order to properly know what civilian real properties are candidates for disposal, realignment, or other such actions, an agency needs to know where they are, what their status is, whether they are being put to the best use for the taxpayer, what other assets or liabilities (including environmental) are on the property, and other significant natural or man-made phenomena in or around the property. It is time the U.S. government invested in a similar methodology and technology to properly identify and inventory its real property holdings. In 2004, President Bush signed Executive Order 13327 placing GSA in charge of managing a centralized inventory system for all Federal real property. The inventory is being developed in a manner that the National Academy of Sciences has referred to as “the business model and technological environment of the 1950s”. With this kind of system, major decisions will be based on incomplete property data and information, and thus Federal efforts will neither be maximized nor as efficient as taxpayers deserve and expect. An upgrade in technology is needed to empower the Federal Real Property Profile, and amending H.R. 1734 would accomplish this.

BCFC believes the free enterprise system is the most productive and efficient provider of goods and services and strongly supports the federal government utilizing the private sector for commercially available products and services to the maximum extent possible. H.R. 1734 would dispose of excess and underutilized Federal real property and helps support BCFC’s goal. We oppose government duplication of and competition with the private sector. By disposing of surplus Federal property, CPRA would be reducing unfair government competition, creating more economic opportunities in the private sector, and decreasing the size and scope of the Federal government.

We respectfully and enthusiastically support H.R. 1734.

Sincerely,

John M. Palatiello, President

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