



FEDERAL REAL PROPERTY

Congress and Agencies Have Acted to Address Key High-Risk Issues but Challenges Remain

Statement of Statement of David Marroni, Director, Physical Infrastructure

Testimony

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GAO Highlights

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Why GAO Did This Study

The federal government's real property holdings are vast and diverse, costing billions annually to occupy, operate, and maintain. GAO added federal real property to its High-Risk List in 2003 for several reasons.

These reasons include that the government retained more real property than it needed, did not have reliable property data to support decision making, and struggled to secure federal buildings.

This statement discusses key actions taken by Congress and the executive branch since the High-Risk update in 2023 and actions needed to address four federal real property issues: (1) underused buildings, (2) data reliability, (3) facility security, and (4) building condition. This statement is based on GAO's prior work and reflects GAO's 2025 High-Risk update, released in February 2025.

What GAO Recommends

While the government has implemented many of GAO's recommendations on key real property issues, 57 GAO recommendations in this area are not yet fully implemented. Actions to implement these recommendations can help address underused property, unreliable data, insecure facilities, and unsafe building conditions.

What GAO Found

Better management of the federal government's real property portfolio is needed to effectively dispose of underused buildings, collect reliable real property data, enhance the security of federal facilities, and improve the condition and configuration of federal buildings. These management challenges have led GAO to include Managing Federal Real Property on GAO's High-Risk List since 2003.

- **Underused buildings.** Federal agencies have long struggled with underused space, which costs millions of dollars. Enacted in January 2025, the Utilizing Space Efficiently and Improving Technologies Act requires agencies to measure building utilization and plan to dispose of underused space. This Act, combined with effective implementation, would address GAO's 2023 recommendation on the need for governmentwide guidance on measuring space utilization.
- **Data reliability.** Without reliable data, it is difficult to support effective real property management and decision-making. The General Services Administration has worked with federal agencies to improve its Federal Real Property Profile database but has not yet fully corrected property location data. The Department of Defense

improved its real property data as well, but further efforts are needed, including better coordination with military services to fill key vacant real property positions.

- **Facility security.** The Department of Homeland Security has taken steps to improve facility security, but more progress is needed. Contract guards did not detect prohibited items being brought into federal facilities in about half of GAO's 27 covert tests in 2024. This is a rate comparable to the Federal Protective Service's (FPS) own covert testing results. In addition, FPS has not yet fully deployed the Post Tracking System. Under development since 2013, the system was supposed to verify that all guards are qualified but faces technical and data reliability problems.
- **Building condition.** This year GAO added "Building Condition" to the existing real property high-risk area. The federal government's annual maintenance and operating costs for its 277,000 buildings were about \$10.3 billion in fiscal year 2023. Further, federal agencies have deferred maintenance and repairs on many buildings, creating a backlog. GAO found that these needs had more than doubled, from \$170 billion to \$370 billion between fiscal year 2017 and 2024. In addition, agency officials told GAO that headquarters buildings are poorly configured and need renovations to meet present-day workforce requirements.

March 5, 2025

Chairman Perry, Ranking Member Stanton, and Members of the Subcommittee:

The federal government owns over 460 million square feet of office space that cost billions annually to occupy, operate, and maintain. For 22 years, managing federal real property has remained on GAO's High-Risk List. The reasons for this include that the government has retained more property than it needs; it has not had reliable real property data to support decision-making, and it has struggled with facility security. This year, we added another reason that federal real property is high risk—building condition.

Since federal real property was added to GAO's High-Risk List, the highest levels of government have given serious attention to these issues, but more work remains. While federal agencies have addressed many of our recommendations on key real property issues, we have 57 recommendations that have not been fully implemented related to underused property, data reliability, facility security, and building condition. Most of these recommendations were made over the past 5 years.

This statement discusses key actions taken by Congress and the executive branch since the High-Risk update in 2023 and actions that would help improve federal real property management. This statement is based on GAO's prior work and reflects GAO's 2025 High-Risk update, released on February 25, 2025.¹

We conducted the work on which this statement is based in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Underused Buildings

Federal agencies have long struggled to determine how much space they need to fulfill their missions. Issues with underused space were further complicated with increased telework during and following the COVID-19 pandemic. Retaining this underused space costs millions of dollars and is one of the main reasons that federal real property management has remained on GAO's High-Risk List since 2003. The following are key actions that Congress and the executive branch have taken to address underused buildings since our High-Risk update in 2023.

- Enacted in January 2025, the Utilizing Space Efficiently and Improving Technologies (USE IT) Act requires agencies to measure building utilization and plan to dispose of underused space.² Specifically, it requires that agencies measure the utilization of public buildings by comparing the capacity of each space to the number of people who are working in the building. If building utilization remains below 60 percent capacity for two consecutive years, the General Services Administration (GSA), in consultation with the Office of Management and Budget (OMB), must take steps to reduce the amount of underused

¹GAO, *High-Risk Series: Heightened Attention to High-Risk Areas Could Yield Billions More in Savings and A More Efficient and Effective Government*, [GAO-25-107743](#) (Washington, D.C.: Feb 25, 2025).

²Thomas R. Carper Water Resources Development Act, Pub. L. No. 118-272, S. 4367, 118th Cong., div. B, tit. III § 2302 (2025).

space. This Act, combined with effective implementation, would address our 2023 recommendation on the need for governmentwide guidance on measuring space utilization.³

- GSA initiated a full portfolio assessment in November 2023 to identify real property assets for disposal.

As of December 4, 2024, GSA had identified 34 assets to begin the disposal process. GSA estimates that disposing of these buildings will reduce GSA's inventory by over 6 million square feet and save \$1.8 billion over 10 years.

- In addition, the Federal Assets Sale and Transfer Act of 2016 (FASTA) established a temporary process to help the federal government identify and dispose of unneeded federal real property.⁴ As of December 2024, the FASTA process had identified 12 properties for disposal, 10 of which sold for a total of \$194 million. In October 2022 we reported that GSA had not developed an approach to leveraging knowledge from setbacks that agencies experienced implementing the FASTA process.⁵

The following steps would help to address some of the government's challenges with underused space:

- OMB should continue to assist agencies in monitoring utilization to help identify unneeded space, as recommended in our October 2023 report.⁶ The USE IT Act includes additional requirements which may assist in this work.
- GSA should help federal agencies improve the disposal of underused property by applying lessons from the FASTA process to improve future disposal efforts, as recommended in our October 2022 report.⁷

Data Reliability

Without reliable data, it is difficult to support effective real property management and decision-making. GSA relies on federal agencies to submit accurate data to the Federal Real Property Profile, the governmentwide database of federal real property that GSA uses to manage buildings, structures, and land. We have identified problems with the reliability of federal real property data since we first placed the management of federal real property on the High-Risk List. The following are key actions that the executive branch has taken to address this issue since our High-Risk update in 2023.

- GSA has worked with federal agencies to improve the reliability of federal real property data. In 2020, we reported that 67 percent of addresses in the Federal Real Property Profile database were incorrectly

³GAO, *Federal Real Property: Agencies Need New Benchmarks to Measure and Shed Underutilized Space*, [GAO-24-107006](#) (Washington D.C.: Oct. 26, 2023).

⁴Pub. L. No. 114-287, 130 Stat. 1463 (codified as amended 40 U.S.C. § 1303 note.) FASTA originally included three rounds, but recently enacted legislation directed an additional, fourth round to identify additional properties. Thomas R. Carper Water Resources Development Act, Pub. L. No. 118-272, S. 4367, 118th Cong., div. B, tit. III § 2301 (2025).

⁵GAO, *Federal Real Property: GSA Should Leverage Lessons Learned from New Sale and Transfer Process*, [GAO-23-104815](#) (Washington D.C.: Oct. 7, 2022).

⁶[GAO-24-107006](#).

⁷[GAO-23-104815](#).

formatted or incomplete.⁸ GSA took actions to improve its process for validating and verifying addresses in this database. In 2023, we found that over 98 percent of addresses were correctly formatted, but that location data continue to have errors.

In August 2024, the Federal Real Property Council, an interagency council of which GSA is a member, published program guidance to help federal agencies improve the quality of data they submit to the Federal Real Property Profile.⁹ The guidance instructs agencies to concentrate their initial data quality improvement efforts on data elements such as property type and property use because these elements are most easily verified with external information. GSA established a strategic initiative to improve real property data accuracy through data standards and management in its strategic plan for fiscal years 2022-2026. GSA also implemented a tool that alerts agencies to potentially incorrect location data in the Federal Real Property Profile database.

- The Department of Defense (DOD) has worked to improve monitoring of its real property data. In November 2018, we found that DOD was not effectively recording and reporting data, which led to inaccurate and incomplete real property information.¹⁰ Subsequently, DOD has defined and documented the data elements that are most significant for decision-making and is taking a department-wide approach to improving its data quality. In addition, the Navy, Air Force, and Army improved monitoring of their respective processes for recording all required real property information. However, DOD has not yet prioritized and coordinated with the military services to identify opportunities for filling vacant real property positions. This has contributed to workload backlogs and prevented them from sufficiently maintaining their real property data.

The following steps would help to address federal real property data challenges:

- GSA should take steps to fully implement our 2020 recommendation to help federal agencies improve their data reliability by implementing the data quality standards identified in the Federal Real Property Council's August 2024 guidance and ensure street address information is accurate.¹¹ In the meantime, we are continuing to assess federal real property data and plan to issue new work on the topic.
- DOD should take steps to fully implement our 2018 recommendation to develop a strategy that identifies and addresses risks to real property data quality and information accessibility.

Facility Security

Past attacks on federal buildings demonstrate that the security of federal facilities remains a high-risk issue. The challenges inherent in addressing threats to federal facility security have persisted since we placed the

⁸GAO, *Federal Real Property: GSA Should Improve Accuracy, Completeness, and Usefulness of Public Data*, [GAO-20-135](#) (Washington, D.C. Feb. 6, 2020).

⁹Federal Real Property Council, *Agency-Level Federal Real Property Profile Data Quality Improvement Program Guidance* (August 2024).

¹⁰GAO, *Defense Real Property: DOD Needs to Take Additional Actions to Improve Management of Its Inventory Data*, [GAO-19-73](#) (Washington, D.C. Nov. 13, 2018).

¹¹[GAO-20-135](#).

management of federal real property on the High-Risk list. The following are key actions that Congress and the executive branch have taken to address facility security since our High-Risk update in 2023.

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- In November 2023, President Biden issued Executive Order 14111, superseding and updating Executive Order 12977, which established the Interagency Security Committee (ISC) now chaired by the Department of Homeland Security (DHS).¹² This update clarifies the Committee’s oversight role in monitoring agencies’ compliance with ISC’s physical security standards.
 - Congress passed legislation and the ISC took action to improve oversight of Federal Protective Service (FPS)-recommended security countermeasures to protect federal facilities, as we recommended in May 2023.¹³ Specifically, the Improving Federal Building Security Act of 2024 requires facility security committees to inform DHS of their decisions to implement FPS recommendations within 90 days.¹⁴ In January 2025, the ISC updated its annual questionnaire to include questions that will assess agencies’ implementation of FPS-recommended countermeasures. The ISC has also developed standard operating procedures to assess how agencies document risk acceptance when they do not implement FPS-recommended countermeasures in their facilities.
 - In response to recommendations we made after the January 2021 attack on the U.S. Capitol, the Capitol Police Board and the Capitol Police developed procedures to obtain outside assistance in an emergency as well as to either implement recommended security countermeasures or document risk acceptance if those countermeasures are not implemented.¹⁵

The federal government has shown sustained leadership commitment to improving the security of federal buildings, but challenges remain to ensure that federal facilities remain safe. These challenges and our key recommendations to address them are highlighted below.

- FPS employs contract guards at 2,500 federal facilities. In 2024, we conducted 27 covert tests at selected federal facilities and found that FPS’s contract guards failed to detect prohibited items about half the time.¹⁶ These results, which are consistent with FPS’s findings in its internal covert testing program, raise questions about how effectively the guards detect prohibited items. We recommended that FPS collect more consistent data about the causes of test failures, analyze those data, and then use that analysis to improve contract guards’ detection capabilities.
- In 2024, we also found the data system that FPS uses to verify if contract guards are qualified to stand post—the Post Tracking System—continues to face technology and data reliability challenges.¹⁷ In 2025, we recommended that DHS determine whether to replace the Post Tracking System, which has

¹²Exec Order No. 14111, 88 Fed. Reg. 83,809 (Dec. 1, 2023).

¹³GAO, *Federal Facilities: Improved Oversight Needed for Security Recommendations*, [GAO-23-105649](#) (Washington, D.C. May 8, 2023).

¹⁴Pub. L. No. 118-157, §2(a), 138 Stat. 1719, 1719 (to be codified 40 U.S.C. § 1315 note).

¹⁵GAO, *Capitol Attack: The Capitol Police Need Clearer Emergency Procedures and a Comprehensive Security Risk Assessment Process*, [GAO-22-105001](#) (Washington, D.C. Feb. 17, 2022).

¹⁶GAO, *Federal Facility Security: Preliminary Results Show That Challenges Remain in Guard Performance and Oversight*, [GAO-24-107599](#) (Washington, D.C. Jul. 23, 2024).

¹⁷[GAO-24-107599](#).

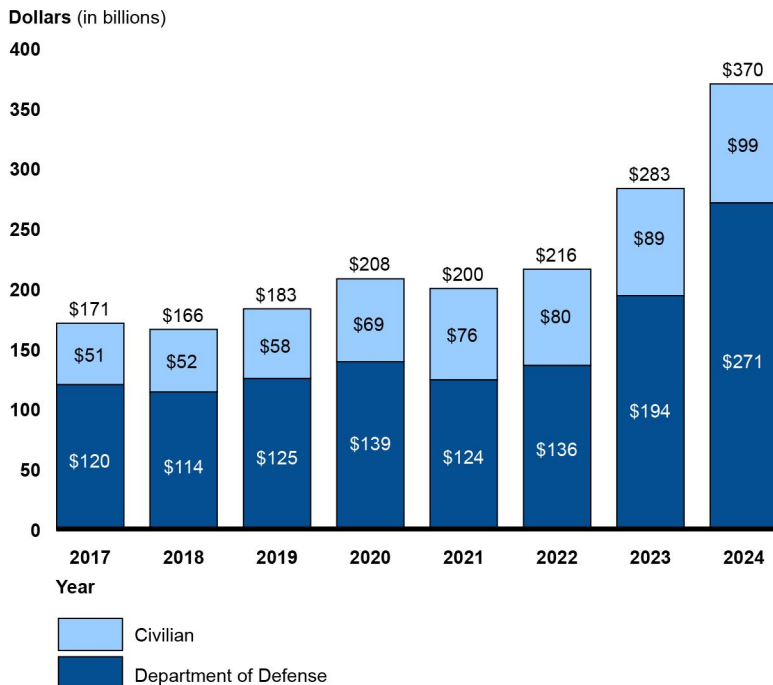
been under development since 2013, or make corrective actions to address problems with the system.¹⁸

Building Condition

In the 2025 High-Risk Update, we added building condition as a High-Risk topic for federal real property due to large increases in the cost of addressing deferred maintenance in federal buildings. The federal government’s annual maintenance and operating costs for its 277,00 buildings exceeded \$10.3 billion in fiscal year 2023. Since this is a new High-Risk topic, we are focusing on our recent findings and actions needed to improve the condition of federal buildings. Federal agencies are taking steps to improve building condition and configuration, but the challenges led us to include the topic in the High-Risk update.

- DOD and federal civilian building repair backlogs have more than doubled, going from \$171 billion to \$370 billion from fiscal year 2017 through 2024 (see fig. 1). Unless this trend reverses, federal assets will continue to deteriorate and need premature replacement, which can be significantly more expensive than the cost of repairs had they not been delayed.

Figure 1: U.S. Department of Defense and Federal Civilian Agencies’ Reported Estimates of Deferred Maintenance and Repairs, Fiscal Years 2017–2024



Source: GAO analysis of information from the U.S. Departments of the Treasury and Defense. | GAO-25-108028

¹⁸GAO, *Federal Protective Service: Actions Needed to Address Critical Guard Oversight and Information System Problems*, GAO-25-107047U (Washington, D.C. Jan. 28, 2025).

Accessible Data for Figure 1: U.S. Department of Defense and Federal Civilian Agencies' Reported Estimates of Deferred Maintenance and Repairs, Fiscal Years 2017–2024

Year	DOD (dollars in billions)	Civilian (dollars in billions)
2017	120	51
2018	114	52
2019	125	58
2020	139	69
2021	124	76
2022	136	80
2023	194	89
2024	271	99

Source: GAO analysis of information from the U.S. Departments of the Treasury and Defense. | GAO-25-108028

- In 2023, we determined that federal agencies' spaces are not well configured to meet modern office needs.¹⁹ If agencies continue to operate in poorly configured office buildings, they will continue to underuse space, spending unnecessary operating funds. Agencies ranked budget shortages to reconfigure space as the top challenge to increasing utilization of their headquarters buildings. For example, U.S. Department of Agriculture officials said they would need millions of dollars to update their two-building headquarters to support higher density and possible office sharing.
- In 2023, we reviewed four agencies and found they did not fully communicate the potential costs of maintenance backlogs to Congress.²⁰ For example, none of the agencies provided sufficient information in their financial and budget documents to explain how much of their backlog compromised agency missions. As a result, Congress and the public do not have a clear picture of the anticipated costs to address the deferred maintenance that may impact critical government functions. We recommended that GSA and the Departments of Health and Human Services, Interior, and Energy fully communicate repair needs to Congress and the public.
- In 2023, we found that military barracks were in poor condition, including some with safety risks like sewage overflow and inoperable fire systems.²¹ We recommended that the Department of Defense clarify guidance, and that the service branches update minimum health and safety standards. We also recommended that DOD update and clarify guidance on assessing barracks conditions, obtain complete funding information, and increase oversight of barracks programs. DOD has implemented several of our recommendations, including updating guidance on how the military branches should conduct condition assessments for barracks.
- In 2024, the GSA Inspector General found that GSA has not effectively monitored its maintenance contractors to ensure they implemented required maintenance and repairs. Specifically, operations and maintenance contractors did not complete all work orders for service requests and preventive

¹⁹GAO-24-107006.

²⁰GAO, *Federal Real Property: Agencies Should Provide More Information about Increases in Deferred Maintenance and Repair*, GAO-24-105485 (Washington, D.C. Nov. 16, 2023).

²¹GAO, *Military Barracks: Poor Living Conditions Undermine Quality of Life and Readiness*, GAO-23-105797 (Washington, D.C. Sept. 19, 2023).

maintenance.²² In some cases, operations and maintenance contractors marked work orders as complete even though the work was not actually completed. The Inspector General recommended that GSA improve its oversight of contractors.

Chairman Perry, Ranking Member Stanton, and Members of the Subcommittee, this completes my prepared statement. I would be pleased to respond to any questions that you may have at this time.

GAO Contact and Staff Acknowledgments

If you or your staff have any questions about this testimony, please contact Dave Marroni, Director, Physical Infrastructure at (202) 512-2834 or MarroniD@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. GAO staff who made key contributions to this testimony are Keith Cunningham (Assistant Director), James Leonard (Analyst in Charge), Audrey Blumenfeld, and Michelle Weathers. In addition, Emily Crofford, Trinisa Fung, Terence Lam, Josh Ormond, Elizabeth Wood provided key support. Other staff who made key contributions to the reports cited in the testimony are identified in the source products.

²²GSA Office of Inspector General, *Building Maintenance Contracts Are Not Complying with Their GSA Contracts Due to Poor Performance and Ineffective Oversight*, Report Number A230032/P/2/R24004 (Washington, D.C.: May 3, 2024).

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