



Chairman Ander Crenshaw

Subcommittee on Financial Services and General Government
House Committee on Appropriations

FY 2016 Budget Hearing - General Services Administration

March 17, 2015

Opening Statement As Prepared

The hearing will come to order. Happy St. Patrick's Day. Welcome everyone.

I'd like to welcome Acting Administrator Roth to the hearing today. You've been in your role as Acting Administrator for just under a month now and we're happy to have you here before our subcommittee today.

The General Services Administration is often referred to as the Federal Government's landlord, but GSA's mission goes beyond providing office space and managing property. Agencies across the Federal Government rely on GSA to assist in their procurement and acquisition needs, and deliver effective and economical technology solutions. In a time of shrinking budgets and scarce resources, GSA's role is all the more important and we on the Committee expect you to be a leader, finding savings and driving efficiency in your own budget.

This Subcommittee has pressed GSA to make better use of its existing portfolio of buildings and shrink the Federal footprint through a reduction to GSA's inventory of leased and owned space. In the last several years we have seen a reduction in staffing across the Federal Government and so it follows, we should see a reduction in space requirements. The fiscal year 2015 Omnibus provided GSA with \$70 million for space consolidation activities. I look forward to hearing from you today on how you intend to use that funding to shrink the GSA building inventory, particularly in regards to the many vacant and underused buildings in your portfolio.

GSA's fiscal year 2016 request proposes an increase of \$1.13 billion over fiscal year 2015 for the Federal Buildings Fund, \$564 million more than the rental payments you take in. I understand you want to provide the level of service that your customers are paying for, but a 12.3 percent increase to construct new buildings and perform maintenance is unrealistic during these fiscal times. We have a responsibility to the American taxpayer to be judicious and deliberate with their tax dollars. Shouldn't GSA only budget for the highest priority projects and not merely match its budget to the level of rent you collect? The Federal Government is your customer, but your investor is the U.S. taxpayer and your job is to be a good steward of taxpayer dollars.

For the first time in many years GSA has submitted a 5 Year Capital Investment Plan. I think this is an important step forward in managing the Federal portfolio in a more prudent and productive way, providing transparency to both stakeholders and taxpayers. However, I'm curious to learn what additional benefit you believe is derived from requesting an advance appropriation of \$9.95 billion for fiscal year 2017.

Once again, welcome, Acting Administrator Roth. I appreciate your service and look forward to your testimony.

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