PUBLIC BUILDINGS REFORM BOARD

5/1/2026

The Honorable Joni Ernst
United States Senate
260 Russell Senate Office Building
Washington, DC 20510

Re: USE IT Act Data

Dear Senator Ernst,

Thank you for your continued support of the Public Buildings Reform Board's work. We are responding to your request for an update on the Board's review of the Utilizing Space Efficiently and Improving Technologies Act (USE IT Act) data.

While the current data indicates severe underutilization of federal office space, it fails to meet the USE IT Act's requirements for asset-level transparency. We have been refused access to the full longitudinal dataset; nevertheless, we have proceeded with the publicly available information.

**What does the data set describe?**

While the dataset comprises 9,766 entries, it captures occupancy data for only **275,336 federal employees and contractors**. This figure contrasts with OPM data from April 2026, which identifies **2 million** federal employees, a total that excludes a significant population of contractors. Consequently, the spaces currently reported seem to reflect only a small portion of the broader federal worker base, limiting the generalizability of the analysis. Although agencies do have office spaces with occupancy over 60%, those were excluded from the public data set. The data set reflects approximately **168 million usable square feet** of space, of which **141 million usable square feet** are office space, with **$1.34 billion in annual operating costs** attributed to underutilized office space.

**What we found**

**Synthesizing data across multiple sets, we assess that the financial burden on taxpayers for underutilized federal buildings appears extraordinary.** The cost is driven by a combination of low utilization, high maintenance requirements, and the historic nature of many properties. Even if these buildings reached the 60% target occupancy, their costs and liabilities would remain significantly above commercial market rates which we use as a proxy reference point, not as a true benchmark.

***A note on lease rates as reference points in our analysis below:*** The USE IT Act data uses operations and maintenance (O&M) costs to calculate the cost of the underutilized space being reported on. ***This method significantly understates the total cost of ownership to the taxpayer and presents a potentially misleading understanding of the financial picture of the federal portfolio.*** It fails to account for the "hidden" taxpayer liabilities of deferred maintenance and essential capital reserves. We also believe that it also reports on the costs to carry under-utilized spaces when in fact buildings spaces are not realistically segregated. For example, imagine a space is 10,000 square feet and of that, 2,000 square feet have occupancy over 60%, whereas 8,000 square feet have occupancy under 60%. We believe the reported "cost of underutilized space" involves computation on the 8,000 square feet, and not on the total 10,000 square feet even though from a practical point of view the 8,000 underutilized square feet cannot be separated from the 2,000. To provide a more accurate financial context, our computations utilized commercial lease rates as a proxy reference point. These market rates provide a holistic view of the funding required to sustain a property's operational and structural integrity and manage the property until the end of its lifespan. Also, to derive our estimates of total taxpayer liability, we combine data sets and add deferred maintenance costs to the O&M costs presented in the public USE IT Act data set.

- The **Charleston Custom House**, a historic property in downtown Charleston, serves as a prime example. It currently operates at **22% utilization** and carries a taxpayer liability of **$1.8 million per year for each average daily occupant**. Even at a 60% utilization, the taxpayer burden would remain a staggering **$649,818 per person**. As a point of reference, lease rates in downtown historic Charleston range from $5,000 - $7,000 per person. Although this is on the National Register of Historic Places, there are opportunities for the Government to avoid the massive financial liabilities associated with this asset, by conveying it to a private sector entity who can turn this into a cultural asset and economic catalyst for the local community and still maintain its historic characteristics.

- The **Wilbur Wright Federal Building** in Washington D.C. operates at 16% capacity and **carries a taxpayer liability of $155,875 for each average daily occupant per year**. A commercial lease in Washington D.C. would cost around $9,000 as a proxy reference, meaning that the Wilbur Wright building is posing a **1,473% increase in liability** for taxpayers over referenced commercial lease rates.

- Similarly, the **Orville Wright Federal Building** in Washington D.C. operates at 29% capacity and is posing a taxpayer liability of **$75,415** for each average daily occupant per year. This is around **610% above commercial lease** proxy rates.

- Federal properties in downtown Boston include the **John F. Kennedy Federal Building**, the **Thomas P. O'Neill Jr. Federal Building**, and the **John W. McCormack Post Office and Courthouse**. The total capacity of these three buildings is 5,717 employees while reported average unique occupants totaled 1,118, or 19.5%. Combined, agencies reported utilization data on 74% of the 1.5 million useable square feet. **The average cost per unique occupant across the three properties totaled $65,690 per occupant per year or 934% above commercial lease** proxy rates of around $7,033.

***Even within leased portfolios, taxpayer costs remain exceptionally high.*** These inflated per-person costs are driven by two primary factors: stringent federal security and specialty requirements that drive up lease costs compared to commercial rates, and low utilization.

Our analysis found:

**Major Markets (Large Leases):** Average annual cost of **$25,145 per reported average daily occupant**.

**Small Markets (Small Leases):** Average annual cost of **$19,025 per reported average daily occupant.**

- An example drawn from leases in Washington, D.C. illustrates the impact of low utilization. Using a randomly selected lease as an example, at 22% occupancy, the taxpayer cost was **$37,000 per employee. If the lease achieved 60% attendance, the cost would be around $13,000 - $13,600 a person.** A commercial proxy reference rate in Washington D.C. for Class B space is around $8,000 – $11,000 per person per year. So, the lease rate is much more in line with commercial rates but requires greater attendance to bring the costs in line.

The Board is standing by to conduct more complete and comprehensive analysis once it has access to the complete data set, down to the building level and as reported across time. A comprehensive description of the findings above is detailed on the following pages.

Please contact Paul Walden, Executive Director of the Public Buildings Reform Board, at (202) 716-8165, or Paul.Walden@pbrb.gov if you require additional information.

Sincerely,

DocuSigned by:
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D. Talmage Hocker
Acting Chair
Public Buildings Reform Board
1800 F St., NW
Washington, DC 20405

## PBRB Analysis of the USE IT Act data posted on the GSA website

What is contained in the data:

- Approximately **9,766 federally owned and leased *office* spaces** are reported as operating below the USE IT Act's **60 percent utilization threshold**, across **22 reporting agencies**.
- These spaces account for roughly **275,000 average unique occupants**, or about **28 occupants per space**.
- The reported **average utilization rate is approximately 29 percent**, meaning that, on average, fewer than three out of every ten desks' worth of office capacity are occupied.
- The data set reflects approximately **168 million usable square feet** of space, of which **141 million usable square feet** are office space, with **$1.34 billion in annual operating costs** attributed to underutilized office space.

The two (2) CFO Act agencies with missing data are the Department of War and the now defunct U.S. Agency for International Development.

**Limits of the Reported Cost Data**
The USE IT Act requires agencies to report the **cost of underutilized space**, not the full cost of owning or leasing federal buildings. As a result, the reported cost figures reflect only a portion of the taxpayer's financial exposure.

To illustrate this limitation, the Board reviewed five federally owned office buildings in Washington, DC. When considering only USE IT Act underutilization costs and GSA-reported operating and maintenance expenses, per-employee costs appear broadly comparable to the amount the private-sector pays for office costs. However, when **accounting for deferred maintenance costs,** as identified through GSA's Building Assessment Tool (BAT), the per-occupant cost associated with these buildings increases substantially. The value of including the BAT can demonstrate the accrued deferred maintenance liabilities required to keep buildings in a state of good repair. Accordingly, USE IT Act cost figures represent only a **partial view** of the taxpayers' cost associated with operating owned, underutilized federal office spaces and further do not demonstrate current market values if the buildings were to be sold.

**Data Quality and Statutory Compliance Issues**
The Board has identified several areas where current reporting does not fully align with statutory requirements:

- Missing **building-level identifiers and location data**, preventing asset-specific analysis;
- Lack of documentation explaining **how occupancy and utilization were measured and calculated**;

- Public access granted to only a **limited reporting period**, with no longitudinal data to assess trends over time;
- **Internal inconsistencies** in reported figures, including missing values; and
- **Incomplete agency participation**, resulting in uneven coverage of the federal portfolio.

**Aggregate Findings from Reported USE IT Act Data**

The current USE IT Act dataset published by the General Services Administration (GSA) identifies **9,766 federally owned and leased office spaces** that agencies reported as operating below the law's **60 percent utilization threshold**. These reported spaces span **22 of the total 24 CFO Act agencies** required to report under the statute. In aggregate, the data shows:

- Approximately **141 million usable square feet** of office space is associated with underutilized space.
- Approximately **275,000 average unique occupants** across these spaces, roughly indicating an average of **28 unique occupants per space**.
- An apparent average **utilization rate of 29 percent**, meaning that fewer one third spaces are utilized on average.
    - *However, this cannot be definitively stated because terms and data categories have not been clearly defined. Additionally, it is worth noting that the reported data is a sampling of the whole, defined by data that agencies chose to submit and data that agencies chose to withhold. Because agencies could chose, it's unclear what is missing from the data, rendering any conclusions to be not generalizable across the entire federal portfolio.*
- An estimated **$1.34 billion in annual costs** associated with underutilized office space.
    - *It is unclear whether this figure reflects costs attributed to unused space, or the annual operating and maintenance (Annual O&M) cost of owning or leasing the space. In our analysis on the next pages comparing cost of ownership to cost of leasing, we assume this cost represents the Annual O&M of owning or leasing the entirety of the underutilized spaces.*

- Below are summary metrics of the data reported to date.

| Summary Metrics on USE IT Act Data | Owned | Leased | **Total** |
|---|---|---|---|
| Quantity of Spaces Reported (%) | 3,110 (32%) | 6,656 (68%) | **9,766 (100%)** |
| Sum of Office USF | 65,815,025 USF | 75,204,643 USF | **141,019,668 USF** |
| Sum of AVG Unique Occupants | 122,881 | 152,455 | **275,336** |
| AVG Unique Occupants per Space | 40 | 23 | **28** |
| Sum of Capacity (Office USF) | 437,236 | 498,130 | **935,366** |
| Utilization Percentage (Office USF) | 28% | 31% | **29.4%** |
| Average Space Size (Median Office USF) | 4,831 USF | 4,458 USF | **4,532 USF** |
| Sum of Cost of Underutilized (Office USF) | $659,710,149 | $677,186,036 | **$1,336,896,185** |
| Annual Cost per Avg Unique Occupant | $5,369 | $4,442 | **$4,856** |

In plain terms, the reported data indicates that a substantial number of federal office spaces are significantly underused while the government continues to incur sizable annual costs to operate and occupy these spaces. Limitations in how the data is reported make it difficult to determine where underuse is most concentrated and which specific properties present the strongest opportunities for consolidation or disposal. However, the structure and completeness of the reported data limit the ability to identify which specific buildings drive these results or to assess the full cost burden borne by taxpayers.

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## Full Taxpayer Cost Burden Not Reflected in USE IT Act Reporting

**Methodology:** Because the publicly released data does not include clear definitions or documentation of how key figures were calculated, the Board limited its review to basic summaries of the reported information. This approach was used to avoid drawing conclusions based on assumptions about data collection methods that were undisclosed.

### 1. Cost to the Taxpayer

The USE IT Act requires agencies to report the costs associated with underutilized space, but it does not specify how those costs must be calculated. The statute does not define which cost categories must be included, establish a standard formula, or prescribe a uniform methodology for calculating or reporting these costs. As a result, agencies may report cost figures based on differing assumptions, cost components, or accounting approaches. This statutory omission limits the comparability of reported cost data across agencies and constrains the ability of Congress and oversight bodies to assess the full taxpayer cost of owning or operating underutilized federal space. These limitations arise from the structure of the statute itself, rather than from how any individual agency has implemented the reporting requirement.

To illustrate this limitation, the Board reviewed five federally owned office buildings in Washington, DC, as an illustrative sample. Two tables are included below. The first table shows

USE IT Act underutilization costs on a per-occupant basis. The second table incorporates GSA's budgeted deferred maintenance costs, as identified through its Building Assessment Tool.

How to read the tables:

- "USE IT Act Cost of Underutilized (Office USF)" reflects assumed Annual Operations and Maintenance (O&M) costs attributed to underutilized spaces.
- "BAT" reflects GSA's budgeted cost to address deferred maintenance needs.
- "Per AVG Unique Occupant" shows how these costs translate on a per-employee basis.

*Table 1: Operating Costs Reflected in USE IT Act and GSA O&M Data*

| *This table identifies the USE IT Act reported Cost of Underutilized Office USF on a total and a per person basis.* | *Assumed to be the annual operating and maintenance cost (Annual O&M) these spaces* | *USE IT Act Cost of Underutilized Office USF per employee. Looking at this figure alone, it appears that the Taxpayer is paying to own office space at a cost similar to the private sector* |
|---|---|---|
| **Building Name** | **USE IT Act Cost of Underutilized (Office USF)** | **USE IT Act Cost of Underutilized (Office USF) per AVG Unique Occupant** |
| **WILBUR WRIGHT** | $4,214,939 | $18,254 |
| **ORVILLE WRIGHT** | $11,054,592 | $9,725 |
| **EPA EAST** | $4,149,711 | $8,450 |
| **EPA WEST** | $4,002,257 | $8,366 |
| **LYNDON B. JOHNSON FEDERAL BLDG** | $4,318,731 | $6,426 |

*As a point of reference, the private sector* ***spends approximately $9,000 to $11,000 per employee per year*** *to provide office space for its workforce.*[3]

Viewed in isolation, the operating cost figures shown above may appear broadly comparable to commonly cited private-sector office operating costs on a per-employee basis. However, these figures exclude deferred maintenance (referred to as BAT in the GSA BAT data below)[4] and other ownership-related costs.

When deferred maintenance costs are included, the per-occupant cost associated with these federally owned buildings increases substantially. These deferred maintenance costs represent real, budgeted taxpayer obligations required to keep buildings functional and safe over time. They are not reflected in USE IT Act underutilization cost figures.

Costs that are not captured in USE IT Act reporting therefore include:

1. Accrued deferred maintenance liabilities associated with maintaining buildings in a state of good repair;
2. Future costs to exit, reposition, or decommission assets at the end of their useful life; and

3. Changes in asset value over time associated with building or market conditions.

As a result, USE IT Act cost figures represent only a partial view of the taxpayer cost burden associated with underutilized federally owned office space.

*Table 2: Operating Costs Plus Deferred Maintenance Costs*

| | *Annual O&M of underutilized space* | *USE IT Act Space O&M per employee.* | *GSA-reported total deferred maintenance per building* | *GSA-reported deferred maintenance per average employee utilizing the space* | *Estimated Total Cost to Taxpayer* | *Cost to Lease office space from the private sector on a per person basis* | *Difference in estimated total taxpayer cost relative to the cost of leasing* |
|---|---|---|---|---|---|---|---|
| **Building Name** | **USE IT Act Cost of Underutilized (Office USF)** | **USE IT Act Cost of Underutilized (Office USF) per AVG Unique Occupant** | **GSA BAT** | **GSA BAT per USE IT Act AVG Unique Occupant** | **Estimated Total Cost of Ownership per AVG Unique Occupant** | **Commercial Lease Rate for Class B Office Space in D.C.**** | **Additional Taxpayer Cost Burden per Person to due to Federal Ownership Over Leasing** |
| **WILBUR WRIGHT** | $4,214,939 | $18,254 | $31,776,705 | $137,621 | $155,875 | $9,315 | $146,560<br>1,473% |
| **ORVILLE WRIGHT** | $11,054,592 | $9,725 | $74,669,479 | $65,690 | $75,415 | $9,315 | $66,100<br>610% |
| **EPA EAST** | $4,149,711 | $8,450 | $20,052,872 | $40,833 | $49,282 | $9,315 | $39,967<br>329% |
| **EPA WEST** | $4,002,257 | $8,366 | $24,022,884 | $50,215 | $58,581 | $9,315 | $49,266<br>429% |

***$54 per RSF (1Q26 Average Class B Rental Rate in Washington, DC) * 150 USF per person (standard) * 1.15 (circulation factor)*

**2. Occupancy and Utilization Averages**

Across the approximately 9,766 reported spaces, the data shows average utilization of roughly **29 percent**. Practically, this means that for every ten desks' worth of office space, fewer than three are occupied on average. While this clearly signals widespread underuse, the absence of building-level details makes it difficult to determine which specific properties drive these averages.

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**Data Quality and Statutory Compliance Issues**

The Board has identified several areas where current reporting does not fully align with the USE IT Act's statutory requirements:

- **Incomplete asset-level reporting**
  The USE IT Act requires reporting of utilization data for each individual building and lease. The publicly released dataset lacks building-level identifiers and location information, which prevents asset-specific analysis.
- **Lack of methodological disclosure**
  The statute requires agencies to report utilization rates and the methodologies used to

determine them. The released data does not document how occupancy was measured, how averages were calculated, or how utilization percentages were derived.

- **Limited reporting period and absence of longitudinal data**
  The reported figures appear to reflect averages over a short, recent period and do not include prior periods or underlying time-series data. This limits the ability to assess trends, as contemplated by ongoing reporting under the Act.

- **Internal data inconsistencies**
  Some records contain missing values or report space figures that exceed total usable square footage. These issues affect the reliability of reported utilization rates at the asset level.

- **Incomplete agency participation**
  Not all covered agencies or their subcomponents appear in the dataset. As a result, agency-level summaries may not reflect the full scope of each agency's real property portfolio.

- **Availability but non-publication of raw data**
  GSA maintains the underlying USE IT Act data in machine-readable formats and internal analytical tools. However, the full raw datasets have not been furnished to the Board or published for congressional and public use, limiting transparency and independent analysis as contemplated by the statute.

- **Sample Size and Configuration**
  Although the number of reported spaces is large, the dataset does not represent a random or complete sample of the federal portfolio. Participation varies by agency and subcomponent, and not all eligible properties are included. As a result, the issue is not the size of the dataset, but its **uneven and non-uniform composition**, which limits the ability to generalize findings across the entire federal inventory.

In addition, amendments to the Federal Assets Sale and Transfer Act enacted as part of the Water Resources Development Act of 2024 require that the full USE IT Act utilization dataset be furnished to the Public Buildings Reform Board by March 1, 2026. To date, the Board has not received the complete underlying dataset in a usable, machine-readable format.

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**Interpreting the Findings and Limitations**

While the reported data clearly signals widespread underutilization of federal office space, the absence of complete asset-level detail and full cost information limits the conclusions that can be drawn about specific properties and the total taxpayer cost of continued ownership and operation.

The primary limitation is not the size of the dataset, but its uneven composition and lack of transparency, which restricts generalization across the full federal inventory.

## Sources

1. GSA USE IT Act Portal:
   https://www.gsa.gov/real-estate/use-it-act-and-occupancy-data/use-it-act-agency-submissions

2. Statutory Language:
   **"(B) USE IT ACT DATA.—**
   **(i) IN GENERAL.—** The Administrator of General Services shall furnish to the Public Buildings Reform Board **not later than 120 days after the beginning of each fiscal year** all utilization data collected pursuant to section 2302 of division B of the Thomas R. Carper Water Resources Development Act of 2024."

3. JLL Research:
   Average cost of private sector budgets to spend on office space per employee per year. Source: JLL Research

4. GSA Dataset:
   In 2025, GSA provided PBRB with a dataset that included Building Assessment Tool (BAT) capital liabilities. The Board is incorporating these deferred maintenance liabilities into this assessment in the attempt to represent a more accurate Estimated Total Cost to the Taxpayer for these owned spaces.