

# State of the Federal Government's Return to Office

National Capital Region:  
Washington, D.C.,  
Suburban Maryland, and  
Northern Virginia

February 2023



# Introduction

A major driver of economic activity and market demand in the National Capital Region, U.S. Federal Government employees continue to offer work-from-home practices elevated from pre-pandemic levels, and these policies vary by agency. With private sector corporate announcements of return-to-office policies increasing in recent months, some local stakeholders –including businesses and elected officials– have begun urging a consistent return-to-office mandate for the federal government.

D.C. Region Federal Workers

311,500

D.C. Region GSA Leased Footprint

45.1 MSF

Office-Using Workers Teleworking 3+ Days/Week

49%

Rank of Office Use Among Industries in the Region

#1

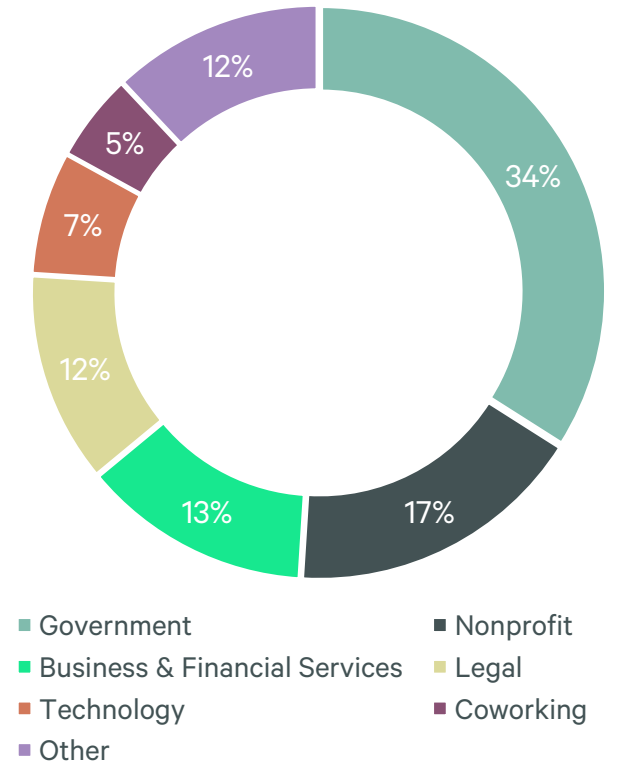
Total Footprint (Owned and Leased)

90 MSF

Share of Total Employment

11.5%

Gross Leasing by Sector 2022



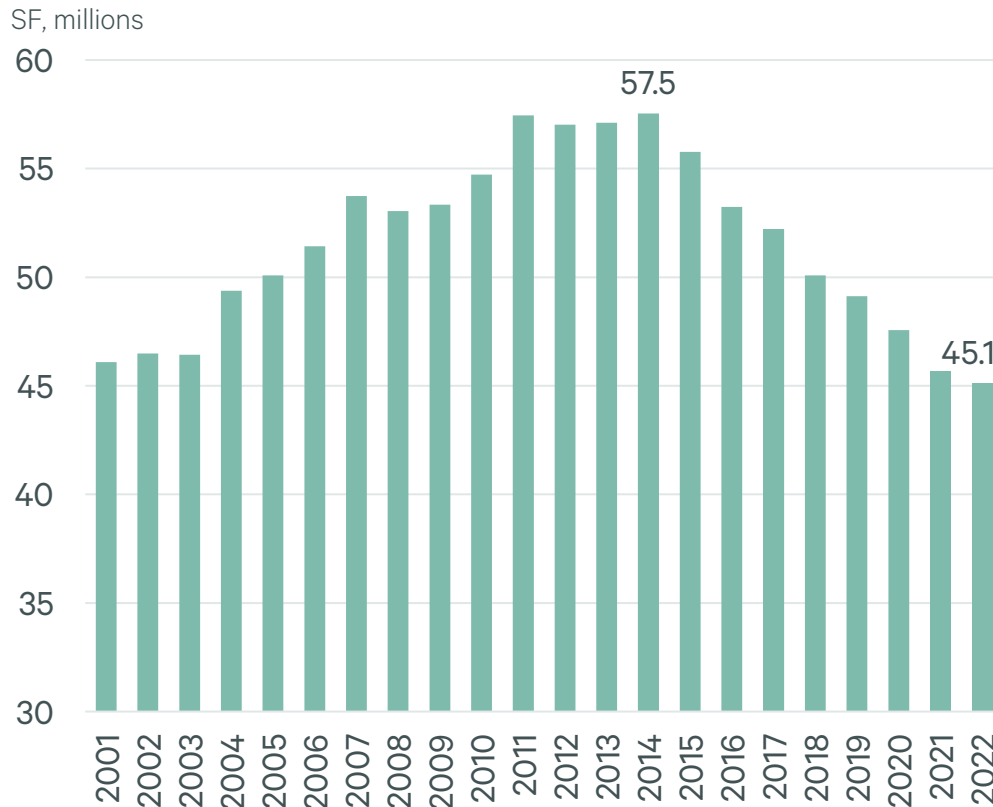
# GSA Footprint

The U.S. General Services Administration (GSA) footprint in the National Capital Region has declined 22% since its peak in 2014, when the federal government began downsizing and experimenting with telework programs.

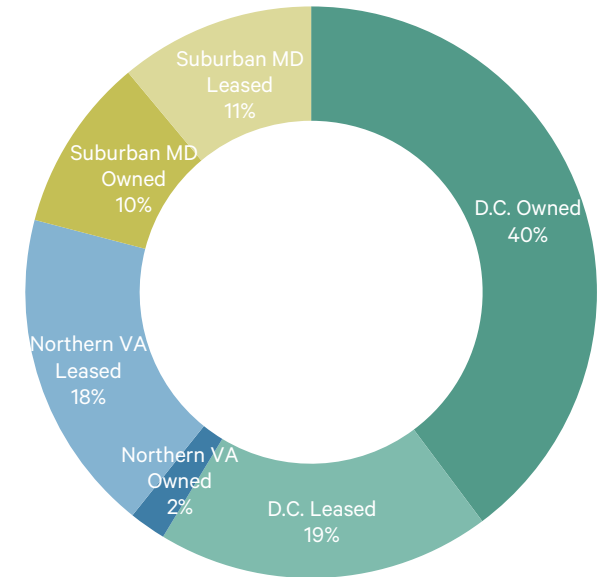
Moving forward in a post-Covid environment, agencies are expected to continue consolidating. Federally-owned and leased shadow space will be the first place new federal requirements look before commencing a new lease procurement.

But new requirements will arise as the GSA aims to right-size, and despite the recent decrease in occupancy, there are currently more than 2 million sq. ft. of active requirements in the market.

GSA National Capital Region Leased Footprint



GSA Footprint by Market (% by SF)

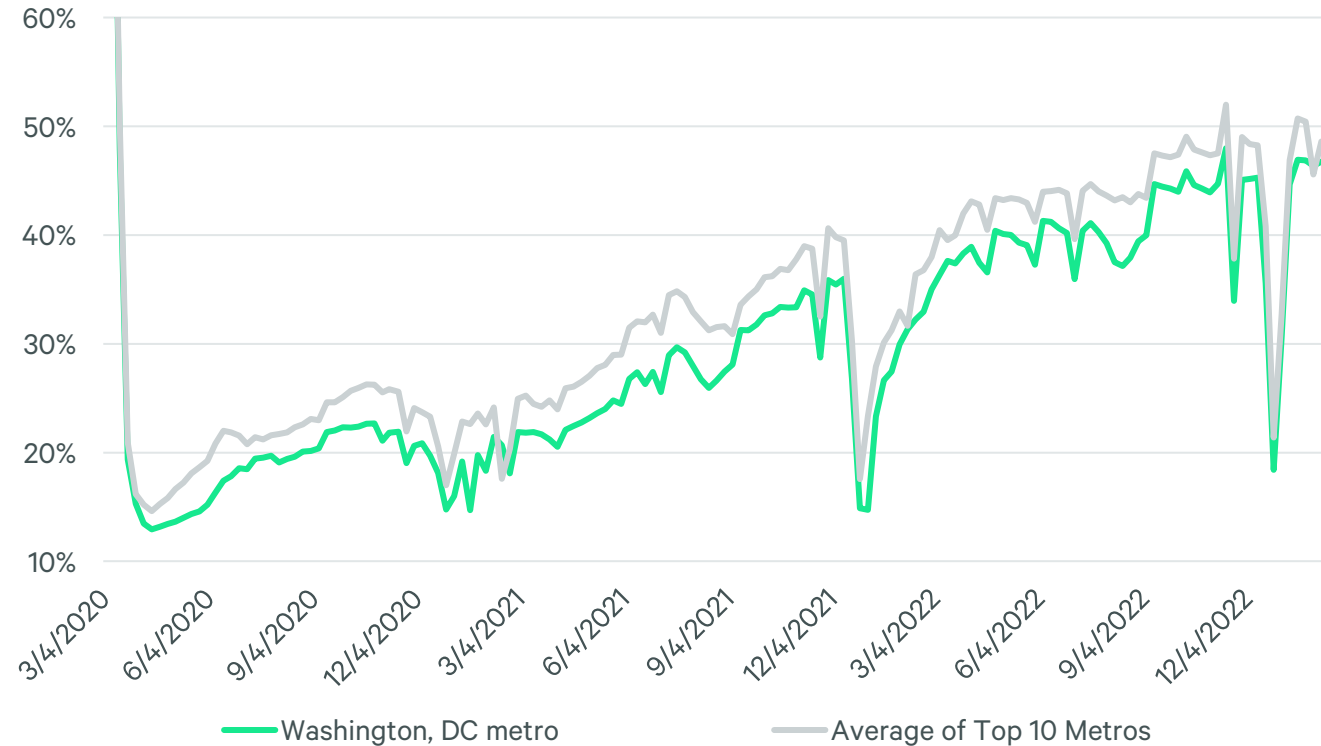


# Remote Work Trends

Kastle Systems shows D.C. office occupancy among all office-using industries at 46%, benchmarked to pre-pandemic levels as of January 2023.

In the private sector, among corporate public announcements of return-to-office policies, most are coalescing around full flexibility or requiring employees in the office 2 to 3 days per week.

FIGURE 1: Kastle Back to Work Barometer – Weekly Occupancy Report



Source: Kastle Systems, CBRE Research

# OPM Federal Employee Viewpoint Survey Results

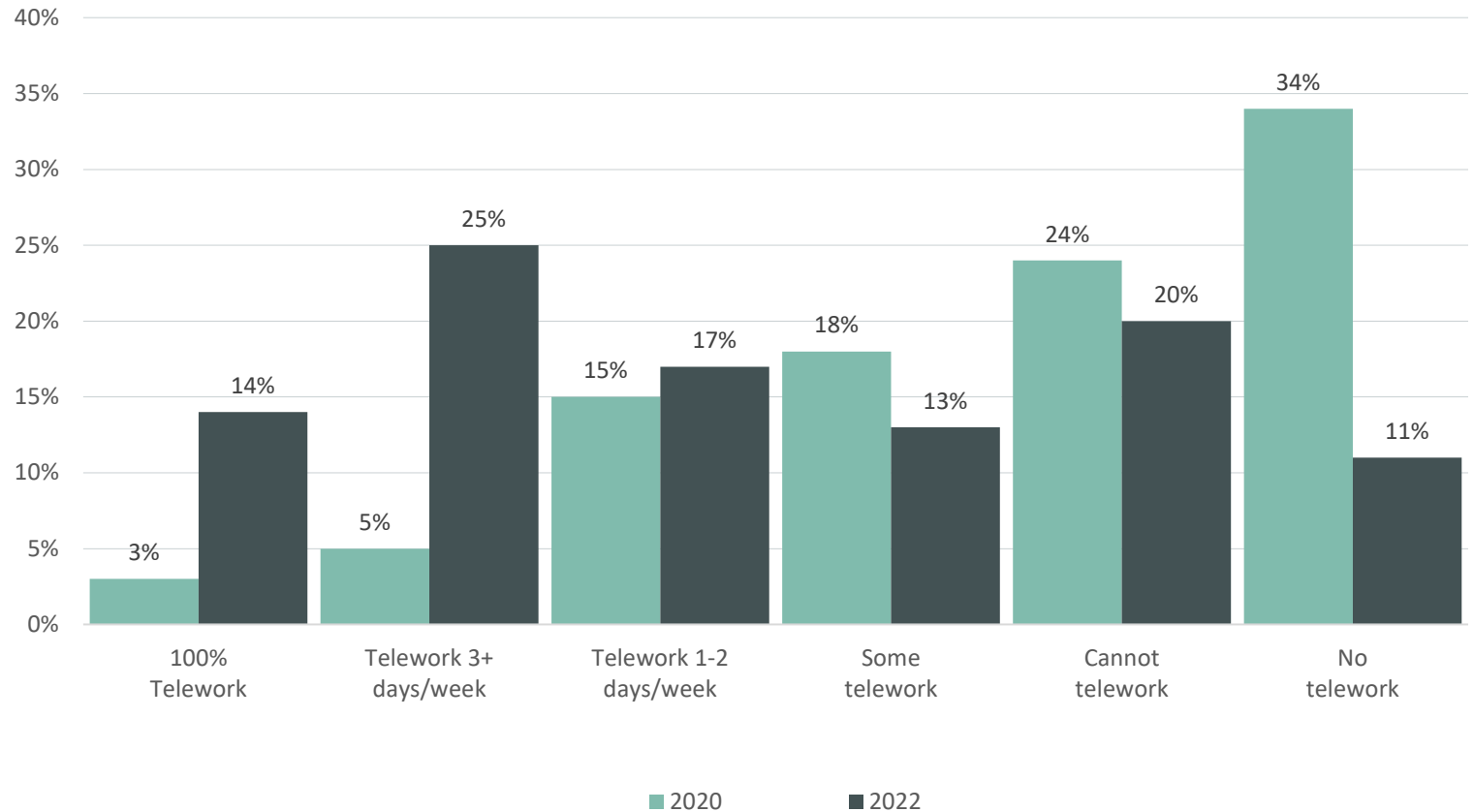
Remote work habits vary widely within federal agencies, and approximately 20% of the federal government workforce is in a role that is not eligible for remote work, such as field work agents and site inspectors.

According to the Office of Personnel Management (OPM) Federal Employee Viewpoint Survey (FEVS) conducted in 2022 with the national federal government workforce,

- 14% of respondents said their roles were 100% remote, up from 3% pre-pandemic.
- 39% of respondents stated they telework 3+ days per week. That translates to 49% of respondents eligible for telework.
- Just 11% of workers stated they did not telework, down from 34% in 2020.

Those survey results are aggregated for federal employees across the country, and the actual practices vary regionally.

Question: Please select the response that BEST describes your current remote work or teleworking schedule.



Source: Office of Personnel Management Federal Employee Viewpoint Survey conducted 2022, CBRE Research

# Federal Government Return-to-Office Timeline

## February 2022

President Biden calls for the Federal workforce to return to in-person work in his State of the Union address.

## Spring 2022

Several federal agencies set a return-to-office policy mandating in-office work two days per biweekly pay period.

## July 2022

OPM Director Kiran Ahuja testifies in favor of hybrid and remote work at a House Oversight Committee, citing benefits of talent retention and emergency preparedness.

## January 2023

Mayor Muriel Bowser urges President Biden to call federal employees back to the office in her inaugural address.

## January 2023

House Republicans introduce the SHOW UP Act (“Stop Home Office Work’s Unproductive Problems Act”).

## January 2023

GSA opens the Workplace Innovation Lab with the goal of offering workplace layouts that enhance employees’ hybrid experience.

## February 2023

The SHOW UP Act passes the House. Experts believe it is unlikely to pass the Senate.

# Calls for Federal Return to Office

## Executive Branch Response

In his 2022 State of the Union address, President Biden stated “It’s time for Americans to get back to work and fill our great downtowns again.” However, federal return-to-office policies have remained largely up to each individual agency, with no overarching mandate for workers to commute to work in-person. Teleworking remains an important tool for employee engagement, recruitment and retention in the federal space.

Several federal agencies set a return-to-office policy mandating in-office work two days per biweekly pay period. Agencies include the National Institutes of Health, U.S. Department of Commerce, and the U.S. Environmental Protection Agency.

In July 2022, OPM Director Kiran Ahuja testified at a House Oversight Committee hearing on the Future of Federal Work, stating that federal agencies are seeing “agency-hopping based on where employees see levels of flexibility.” Additionally, her written testimony stated that “workplace flexibilities, such as telework, remote work, and hybrid work schedules, help ensure Federal operations continue in the face of disruptions and improve employee engagement and morale.”

## Congressional Response

House Republicans introduced the SHOW UP Act in January 2023. The “Stop Home Office Work’s Unproductive Problems Act” would require all federal agencies to reinstate telework policies that were in effect prior to the pandemic and prohibit expansions of those policies until a detailed agency plan is submitted to Congress.

The House passed the SHOW UP Act in February 2023, mostly along party lines. However, the legislation is believed to be unlikely to pass the Senate.

## Labor Union Response to SHOW UP Act

The American Federation of Government Employees (AFGE) and National Treasury Employees Union (NTEU) oppose the SHOW UP Act. AFGE states “In 2020, for example, telework helped the government save \$180 million.” NTEU states, “Beyond the clear benefits to taxpayers in reduced leasing costs and increased productivity, telework and remote work have also helped with employee recruitment, retention and satisfaction...”

## D.C. Government Response

At her inaugural address in January 2023, Mayor Muriel Bowser called for “decisive action by the White House to either get most federal workers back to the office most of the time or to realign their vast property holdings for... any user willing to revitalize it.”

While Mayor Bowser is pushing for a return-to-office, she has not yet commented on the SHOW UP Act specifically.

It remains to be seen whether the bill passes the Senate and is signed into law by President Biden, but the increased push to revitalize our downtowns and encourage workers to return to the office is welcomed news for the commercial real estate community.

# SHOW UP Act Overview

The Act calls for each agency to reinstate telework policies, practices, and levels of the agency from those of December 31, 2019.

The Act calls for each agency to conduct a study of how telework practices since the start of the pandemic impacted:

- Costs, including owning, leasing, or maintaining under-utilized real property
- The agency's mission
- Customer service
- The dispersal of employees to regions outside of their designated office/location

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

## H. R. 7835

To require Executive agencies to submit to Congress a study of the impacts of expanded telework and remote work by agency employees during the COVID-19 pandemic and a plan for the agency's future use of telework and remote work, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES  
May 19, 2022

Ms. HERPELL (for herself, Mr. COMER, Mr. C. SCOTT FRANKLIN of Florida, Mr. GIBBS, Mr. HIGGINS of Louisiana, Mr. CLOUD, Mr. KELLER, Mr. BIGGS, Mr. DONALDS, and Mr. CLYDE) introduced the following bill; which was referred to the Committee on Oversight and Reform

### A BILL

To require Executive agencies to submit to Congress a study of the impacts of expanded telework and remote work by agency employees during the COVID-19 pandemic and a plan for the agency's future use of telework and remote work, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Stopping Home Office Work's Unproductive Problems Act of 2022" or the "SHOW UP Act of 2022".

**SEC. 2. REINSTATEMENT OF PRE-PANDEMIC TELEWORK POLICIES, PRACTICES, AND LEVELS FOR EXECUTIVE AGENCIES.**

Not later than 30 days after the date of enactment of this Act, each agency shall reinstate and apply the telework policies, practices, and levels of the agency as in effect on December 31, 2019, and may not expand any such policy, practices, or levels until the date that an agency plan is submitted to Congress with a certification by the Director of the Office of Personnel Management under section 3.

**SEC. 3. STUDY, PLAN, AND CERTIFICATION REGARDING EXECUTIVE AGENCY TELEWORK POLICIES, PRACTICES, AND LEVELS FOR EXECUTIVE AGENCIES.**

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the head of each agency, in consultation with the Director, shall submit to Congress—

(1) a study on the impacts on the agency and its mission of expanding telework by its employees during the SARS-CoV-2 pandemic that commenced in 2019, including an analysis of—

(A) any adverse impacts of that expansion on the agency's performance of its mission, including the performance of customer service by the agency;

(B) any costs to the agency during that expansion attributable to—

(i) owning, leasing, or maintaining under-utilized real property; or



## GSA's Workplace Innovation Lab

The GSA opened its Workplace Innovation Lab on January 25, 2023, at its headquarters at 1800 F Street NW, Washington, D.C.

**The goal is to** offer agencies and teams the opportunity to **test out different workplace options that enhance “employees’ hybrid experience**, promote health and wellness, and support the federal government’s commitment toward a net zero carbon emissions operation.”

**Six suites totaling 25,000 sq. ft.**, provide technology products, shared collaboration spaces, conference rooms, and office space. Each suite offers a different workspace and furniture layout.

Agencies and teams can sign up to use the spaces for free, and the GSA in turn is gathering feedback to influence and improve offerings and solutions.

# Contacts

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