December 4, 2019

The Hon. Alex M. Azar III
Secretary
Department of Health & Human Services
Hubert H. Humphrey Building
200 Independence Ave., SW
Washington, DC 20201

Dear Mr. Secretary:

On November 1, 2019, the Department of Health & Human Services (HHS) informed the Department’s employee union, the National Treasury Employees Union (NTEU), that it would demand rent payment of $312,454/year for the 15 small offices the union occupies at HHS offices across the country. Among other things, these offices are important for securing files that include personal information on employee grievances and allow for a private place to meet for employees discussing grievances with union stewards and officers.

I understand that this demand on the Department’s part is made pursuant to a decision by the Federal Service Impasses Panel (FSIP). I would note that HHS’ proposal to charge rent for NTEU offices was conditioned on the Department of Justice approving the legality of that arrangement. I am not aware of that this has been done. Multiple other questions are raised, including the impact of an independent arbitrator’s finding that HHS engaged in bad-faith bargaining with NTEU and has awarded NTEU status quo ante remedies which would prohibit this request. I would clarification and responses to the following questions:

1. What is the legal authority for HHS to collect this rent from the union, especially given the recent arbitrator’s decision? Has HHS obtained a legal opinion from the Department of Justice and, if so, please provide it. If rent is collected and it turns out that the collection of rent was illegal, how would HHS refund the money to NTEU’s chapters and from what budget account would the refunds be paid?

2. For appropriations and budgeting purposes, how will HHS account for the rent paid and collected? To what fund or agency budget accounting code will HHS credit the rent payments? Will these funds be returned to general revenue or to GSA in the case of GSA owned buildings?

3. Is HHS authorized to rent or sublet space to third parties? If so, is a lease required?
4. Are other third-party entities currently occupying HHS owned or leased space? If so, are those entities charged rent and is there a lease agreement between HHS and those entities? If so, please provide copies of those leases.

5. What would NTEU’s rights be as lessees? Does HHS have a proposed written lease for the rental of this space? If not, why not?

6. Are there other third-party entities, such as credit unions or food vendors currently occupying HHS owned or leased space? If so, does HHS have written lease agreements with those entities? If so, please provide copies of those leases.

7. How did HHS arrive at the rent per square foot (RSF) cited for the various locations?

8. Are there any limitations on NTEU’s use of rented space? To the extent there are limitations on the use of the space, have these limitations been made clear to NTEU and have these limitations been factored into the RSF determination?

Thank you for your attention to this matter. Please provide a written response on or before January 31, 2020.

Sincerely,

[Signature]

ROSA L. DeLAURO
Member of Congress