



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 14, 2008

H.R. 4106 **Telework Improvements Act of 2008**

*As ordered reported by the House Committee on Oversight and Government Reform
on March 13, 2008*

H.R. 4106 would require executive agencies of the federal government to establish policies to determine which employees are eligible to participate in certain telework programs. (Telework programs enable employees to work part time from places other than their regular place of employment.) The legislation also would require agencies to incorporate telework options into their emergency operation plans (known as continuity of operation plans). Finally, H.R. 4106 would require the Government Accountability Office to report annually on agencies' telework policies, participation, and practices.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 4106 would increase administrative costs across affected agencies by \$5 million in 2008 and much smaller amounts in subsequent years. Those costs would result from requirements that agencies notify employees of their eligibility to participate in telework programs and report on their telework programs. H.R. 4106 also could affect direct spending, but CBO estimates that any amounts would not be significant in any year. Enacting the bill would not affect revenues.

Under current law, executive branch agencies are required to establish policies for employees to participate in telework programs to the maximum extent possible without diminishing employees' performance. The General Services Administration and the Office of Personnel Management provide guidance and resources to federal agencies to support telework policies governmentwide. This bill would require agencies to establish and implement policies to enable eligible employees to participate in telework programs, adding to annual administrative costs.

For most agencies, additional spending would be subject to the availability of appropriated funds; however, the bill could affect direct spending by agencies not funded through annual appropriations, such as the Tennessee Valley Authority and the Bonneville Power

Administration. CBO estimates, however, that any increase in spending for telework programs by those agencies would not be significant.

H.R. 4106 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On January 28, 2007, CBO provided a cost estimate for S. 1000, the Telework Enhancement Act of 2007, as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on November 14, 2007. The bills are similar in that they both deal with telework, but S. 1000 would apply to legislative as well as executive agencies. CBO estimates that any additional costs to legislative agencies under S. 1000 would be negligible and our cost estimates for the bills are similar.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.