



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

February 16, 2007

**H.R. 800
Employee Free Choice Act of 2007**

*As ordered reported by the House Committee on Education and Labor
on February 14, 2007*

H.R. 800 would amend the National Labor Relations Act to allow workers to unionize by signing a card or petition, in lieu of a secret-ballot election. The bill also would provide a time frame for employers to begin discussions with the workers' union. In addition, the bill would impose civil monetary penalties of up to \$20,000 for repeated violations of fair labor practices. Enacting H.R. 800 could increase revenues from those penalties. However, CBO estimates that the amount is likely to be less than \$500,000 annually.

H.R. 800 would impose a mandate on private-sector employers by adding requirements under the National Labor Relations Act, including requiring that employers commence an initial agreement for collective bargaining no later than 10 days after receiving a request from an individual or a labor organization that has been newly organized or certified. CBO has determined that the requirement would increase the costs of an existing mandate and would thereby impose a mandate under the Unfunded Mandates Reform Act (UMRA). CBO estimates, however, that the direct cost of complying with the new requirements would be negligible. H.R. 800 contains no intergovernmental mandates as defined in UMRA, and would not affect the budgets of state, local, or tribal governments.

The CBO staff contacts for this estimate are Christina Hawley Anthony (for federal costs) and Paige Shevlin (for private-sector mandates). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.