



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 5, 2007

### **Public Law 110-50 Passport Backlog Reduction Act of 2007**

*As signed by the President on July 30, 2007*

Public Law 110-50 (formerly S. 966) grants the Department of State additional flexibility in rehiring Foreign Service annuitants on a temporary basis to reduce backlogs in visa and passport processing. The new authority will expire in 2008 for visa backlogs and in 2009 for passport backlogs. CBO estimates Public Law 110-50 will cost \$2 million in 2008 and \$3 million over the 2008-2012 period, assuming the availability of appropriated funds. The law does not affect direct spending or receipts.

Under previous law, Foreign Service retirees could work for the department for up to six months, provided they didn't reach a certain salary cap. According to information provided by the department, about half the retirees hit the salary cap before six months (at four months, on average). The department is already in the process of hiring 55 retirees and plans to hire an additional 250 retirees to work on visa and passport backlogs. By providing a waiver for the salary cap, Public Law 110-50 allows the department to retain some of those retirees for an additional two months. Under this law, CBO estimates that about 150 retirees will work an additional two months in 2008 at a cost of \$2 million, and about 65 retirees will work an additional two months in 2009 at a cost of \$1 million.

Public Law 110-50 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.

The CBO staff contact for this estimate is Sunita D'Monte. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.