



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

December 9, 2013

S. 1556

A bill to amend title 38, United States Code, to modify authorities relating to the collective bargaining of employees in the Veterans Health Administration

*As ordered reported by the Senate Committee on Veterans' Affairs
on November 19, 2013*

For certain employees of the Veterans Health Administration (VHA), S. 1556 would expand the conditions of employment subject to collective bargaining. Under current law, the Secretary of Veterans Affairs has broad authority to prescribe in regulation the hours and conditions of employment for the 92,000 physicians, dentists, optometrists, podiatrists, chiropractors, registered nurses, and physician and dental assistants employed by VHA. Those medical professionals are prohibited from collectively bargaining over matters pertaining to professional conduct and competence, peer reviews, and compensation. S. 1556 would eliminate those restrictions.

Compensation for VHA employees is funded through annual appropriations; CBO estimates that about \$13 billion was provided in 2013 as compensation for the medical professions identified above. By allowing those employees to collectively bargain over forms of compensation such as special pays (which are based on performance, cost of living, or market conditions), awards and bonuses, and overtime or special scheduling arrangements, implementing S. 1556 could increase VHA's personnel costs. However, CBO has no basis upon which to estimate the likelihood or potential magnitude of those effects.

Enacting S. 1556 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 1556 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 Ann E. Futrell. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.