



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 13, 2009

H.R. 1089 **Veterans Employment Rights Realignment Act of 2009**

As ordered reported by the House Committee on Veterans' Affairs on May 6, 2009

H.R. 1089 would amend the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) to transfer more responsibility for investigating and resolving claims made against federal agencies under that act to the Office of Special Counsel (OSC). Assuming appropriation of the necessary amounts, CBO estimates that the OSC would spend an additional \$14 million over the 2010-2014 period to implement its new responsibilities. Enacting the bill would have no effect on revenues or direct spending.

USERRA protects the civilian employment rights of veterans by providing a claims process for individuals whose employment is affected by their military service. Under that act, employees (including those of federal agencies) who believe that their rights have been violated may file claims with the Department of Labor's (DOL's) Veterans' Employment Training Service (VETS). VETS then investigates and attempts to resolve such claims. If VETS cannot resolve a claim made by an employee of the federal government, the case may then be referred to the OSC for further action.

Under H.R. 1089, all such claims against federal employers would be made directly to the OSC. Claims against all other entities would continue to be handled by VETS. Based on information provided by DOL and the OSC, CBO expects that handling an estimated 200 to 300 additional cases per year would increase the OSC's annual budget of \$17 million by about \$3 million a year and \$14 million over the next five years. VETS has offices in each state to handle USERRA enforcement and claims as well as other veterans' issues, including investigations and mediation, briefings to educate employers and service members, and general armed service-related employment and reemployment matters. Because VETS would continue to handle most USERRA claims and all other issues related to veterans' employment, CBO expects that the transfer of responsibility for resolving claims against federal agencies to the OSC would not significantly reduce the VETS' workload at any of its individual offices.

The legislation 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 Matthew Pickford. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.