

ELECTRONIC PAY STUBS OPTION FOR FEDERAL  
 EMPLOYEES

JULY 28, 2008.—Committed to the Committee of the Whole House on the State of  
 the Union and ordered to be printed

Mr. WAXMAN, from the Committee on Oversight and Government  
 Reform, submitted the following

R E P O R T

[To accompany H.R. 6073]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom  
 was referred the bill (H.R. 6073) to provide that Federal employees  
 receiving their pay by electronic funds transfer shall be given the  
 option of receiving their pay stubs electronically, having considered  
 the same, report favorably thereon without amendment and rec-  
 ommend that the bill do pass.

CONTENTS

	Page
Purpose and Summary .....	2
Background and Need for Legislation .....	2
Legislative History .....	2
Section-By-Section .....	2
Explanation of Amendments .....	2
Committee Consideration .....	2
Rollcall Votes .....	2
Application of Law to the Legislative Branch .....	3
Statement of Oversight Findings and Recommendations of the Committee .....	3
Statement of General Performance Goals and Objectives .....	3
Constitutional Authority Statement .....	3
Federal Advisory Committee Act .....	3
Unfunded Mandates Statement .....	3
Earmark Identification .....	3
Committee Estimate .....	3
Budget Authority and Congressional Budget Office Cost Estimate .....	4
Changes in Existing Law Made by the Bill, as Reported .....	4

## PURPOSE AND SUMMARY

H.R. 6073 was introduced by Rep. Virginia Foxx on May 15, 2008. H.R. 6073 directs the Office of Personnel Management (OPM) to allow all federal employees who receive their pay by electronic funds transfer to receive their pay stubs electronically.

## BACKGROUND AND NEED FOR LEGISLATION

The increased use of electronic funds transfer to deliver pay to federal employees was mandated by the Debt Collection Improvement Act of 1996, codified at 31 U.S.C. § 3332. Electronic funds transfer is more secure and costs less than printing and distributing paper checks. Employees also have access to their funds sooner, because they do not have to deposit or cash their checks. However, many federal agencies still print and distribute paper pay stubs for their employees, limiting the gains in efficiency from using electronic funds transfer. This legislation seeks to provide additional savings for the federal government by requiring OPM to take measures to ensure that federal employees have the opportunity to receive electronic pay stubs.

## LEGISLATIVE HISTORY

H.R. 6073, a bill to provide that federal employees receiving their pay by electronic funds transfer shall be given the option of receiving their pay stubs electronically, was introduced by Rep. Virginia Foxx on May 15, 2008, and referred to the Committee on Oversight and Government Reform.

The full Committee held a business meeting to consider H.R. 6073 on July 16, 2008, and ordered the bill to be favorably reported by a voice vote.

## SECTION-BY-SECTION

*Section 1: Electronic pay stubs*

Subsection (a) directs OPM to take such measures as may be appropriate to ensure that all employees who receive their pay by electronic funds transfer shall be given the option of receiving their pay stubs electronically.

Subsection (b) refers to the definition of “electronic funds transfer” in 31 U.S.C. § 3332, defines “employee” as an individual employed in or under an executive agency, and refers to the definition of “executive agency” in 5 U.S.C. § 105.

## EXPLANATION OF AMENDMENTS

No amendments were offered to this legislation.

## COMMITTEE CONSIDERATION

On Wednesday, July 16, 2008, the Committee ordered H.R. 6073 to be favorably reported to the House by a voice vote.

## ROLLCALL VOTES

No rollcall votes were held.

## APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to terms and conditions of employment or access to public services and accommodations. This bill relates to the distribution of pay stubs for executive branch employees and therefore does not relate to employment or access to public services and accommodations for the legislative branch.

## STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of Rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report, including the need to reduce costs associated with distributing pay stubs for federal employees.

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report, including ensuring that federal employees have the opportunity to receive electronic pay stubs.

## CONSTITUTIONAL AUTHORITY STATEMENT

Under clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee must include a statement citing the specific powers granted to Congress to enact the law proposed by H.R. 6073. Article I, Section 8, Clause 18 of the Constitution of the United States grants the Congress the power to enact this law.

## FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

## UNFUNDED MANDATES STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement on whether the provisions of the report include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

## EARMARK IDENTIFICATION

H.R. 6073 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI.

## COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R.

6073. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST  
ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 6073 from the Director of the Congressional Budget Office:

JULY 21, 2008.

Hon. HENRY A. WAXMAN,  
*Chairman, Committee on Oversight and Government Reform,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 6073, a bill to provide that federal employees receiving their pay by electronic funds transfer shall be given the option of receiving their pay stubs electronically.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

PETER R. ORSZAG.

Enclosure.

*H.R. 6073—A bill to provide that federal employees receiving their pay by electronic funds transfer shall be given the option of receiving their pay stubs electronically*

H.R. 6073 would require the Office of Personnel Management (OPM) to provide federal employees that receive their pay through electronic transfer with the option of also receiving their pay stubs electronically. CBO estimates that implementing H.R. 6073 would have no effect on the federal budget because, according to OPM, all federal employees already have this option.

H.R. 6073 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. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

No changes to existing law are made by H.R. 6073, as reported.