

Calendar No. 1101

110TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 110-526

TELEWORK ENHANCEMENT ACT OF 2007

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 1000

TO ENHANCE THE FEDERAL TELEWORK PROGRAM



NOVEMBER 19, 2008.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

79-010

WASHINGTON : 2008

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TELEWORK ENHANCEMENT ACT OF 2007

NOVEMBER 19, 2008.—Ordered to be printed

Mr. LIEBERMAN, from the Committee on Homeland Security and Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 1000]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 1000) to enhance the Federal Telework Program, having considered the same, reports favorably thereon with an amendment and recommends that the bill do pass.

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I. PURPOSE AND SUMMARY

S. 1000, the Telework Enhancement Act of 2007, requires federal agencies to establish telework policies, determine the eligibility of employees to participate in telework programs, establish a Telework Managing Officer, and improve the reporting on telework programs.

II. BACKGROUND AND NEED FOR THE LEGISLATION

Precursors to telework in the federal government date back as far as the 1930s, when employees worked from their homes or other off-site locations on issues as sensitive as financial reports of

credit union examinations.¹ In the 1960s a consultant rocket scientist named Jack Nilles teleworked from Los Angeles to Washington, DC for the U.S. Air Force Space Program, and in 1973 he coined the terms “teleworking” and “telecommuting.”² Over the subsequent decades, federal agencies began promoting “flexiplace” programs under which federal personnel worked from home or remote sites, and, by the early 1990s, the President’s Council on Management Improvement implemented a pilot flexiplace program government-wide.³ Over the past decade, advances in information and computer technology have greatly increased the ability of many federal employees to work from home or from other locations convenient to home, and in 2006 there were over 110,000 employees teleworking in the federal government.⁴

This Committee believes that telework is an important tool for agencies to use in improving many areas of their operations. The Congressional Research Service has summarize a number of the ways in which telework is seen as offering valuable benefits to agencies:

Management considerations, such as productive and satisfied workers; environmental considerations, such as reduced traffic congestion and improved air quality; and quality of life considerations, such as accommodating the short- or long-term health problems or family responsibilities of employees, have been offered as justification for telework programs. Some believe that the September 11, 2001, terrorist attacks on the World Trade Center and the Pentagon, and the discovery of anthrax in Washington, DC, and other cities have fundamentally changed the workplace and demonstrated the practical application of telework to the continued operation of the government. Issues of security, crisis management, disaster recovery, and remote access to office computer systems are prompting some federal executive and legislative branch agencies and their employees to expand existing telework programs or to consider telework.⁵

Information about how telework can be a powerful management tool for federal agencies was presented at a hearing before this Committee’s Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia.⁶ In the area of human capital management, an Office of Personnel Management (OPM) representative testified that “telework is a useful tool which can help attract and retain a 21st century high-per-

¹ Congressional Research Service Report, *Telework in the Federal Government: Background, Policy, and Oversight* (RL30863), by Lorraine H. Tong and Barbara L. Schwemle (April 3, 2002), at page 3.

² *Id.*

³ *Id.*, at pages 3–5.

⁴ U.S. Office of Personnel Management, *Status of Telework in the Federal Government: Report to Congress 2007* (December 2007), available online at [[http://www.telework.gov/Reports and Studies/Annual Reports/2007_TeleworkReport.pdf](http://www.telework.gov/Reports_and_Studies/Annual_Reports/2007_TeleworkReport.pdf)] (hereinafter referred to as the “2007 Telework Status Report”), at page 2.

⁵ CRS Report, note 1 above, at Summary page.

⁶ Hearing on “Assessing Telework Policies and Initiatives in the Federal Government,” before this Committee’s Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, 110th Congress, 1st Session, June 12, 2007, S. Hrg. 110–390 (hereinafter referred to as the “Telework Hearing”).

forming workforce that produces high-quality results,”⁷ and the Director of the U.S. Patent and Trademark Office (PTO), reported on his agency’s own experience that telework “allows for decreased commute time, greater control over workloads, and even a more balanced lifestyle. This all translates into increased employee productivity and satisfaction, as well as higher employee retention.”⁸

According to testimony of a representative from the General Services Administration (GSA), telework is also a natural mechanism for agencies’ Continuity of Operations (COOP) Plans for emergencies,⁹ such as natural disasters or terrorist attacks that prevent employees from getting to the agency’s offices. To be an effective part of the COOP Plan, telework must be a part of the agency’s normal operations, “so that employees may fully transition to this alternative work arrangement in the event of an emergency. The result would be a more well trained and properly equipped work force that is allowed to participate in telework to the maximum extent possible.”¹⁰

Telework also has beneficial impacts on traffic congestion, the environment, and energy conservation. As the GSA witness explained, the Federal government is the largest employer in the United States as well as the largest employer in the National Capital Region, and strikingly large benefits could accrue if half of the federal workforce were to telework two days per week: “that theoretically could cut nearly a fourth (23 percent), or 944,000 tons of work trip emissions produced by federal workers who commute to work in single occupancy vehicles. Collectively, these teleworkers could theoretically save nearly 2 billion miles of vehicle travel, more than 90 million gallons of gasoline, more than 277 million dollars in gasoline expenses, and more than 32,000 typical work years of time.”¹¹ This is one reason that the U.S. Department of Transportation includes expansion of telecommuting as a key part of the National Strategy to Reduce Congestion on America’s Transportation Network.¹²

Witnesses at the hearing also testified about creative arrangements to get the most benefit out of telework. One such measure is called “hoteling,” where employees are not assigned a permanent office workspace, yielding significant cost savings. The Director of PTO testified that his agency’s telework program “combines management-by-objective with hoteling, which translates into documented space and related cost-savings for the PTO.”¹³ A GSA witness further testified that “telework combined with alternative officing can enable agencies to reduce cost and improve the utilization of existing facilities.”¹⁴

⁷ Testimony of Mr. Daniel A. Green, Deputy Associate Director for Employee and Family Support Policy, Strategic Human Resources Policy Division, Office of Personnel Management, at Telework Hearing, note 6 above.

⁸ Testimony of the Honorable Jon W. Dudas, Under Secretary of Commerce for Intellectual Property and Director, U.S. Patent & Trademark Office, at Telework Hearing, note 6 above.

⁹ Testimony of Mr. Stan Kaczmarczyk, Principle Deputy Associate Administrator for Government-Wide Policy, General Services Administration, at Telework Hearing, note 6 above.

¹⁰ Id.

¹¹ Id.

¹² U.S. Department of Transportation, National Strategy to Reduce Congestion on America’s Transportation Network (May 2006), available online at [<http://isddc.dot.gov/OLPFiles/OST/012988.pdf>].

¹³ Testimony of Jon Dudas, note 8 above.

¹⁴ Testimony of Stanley Kaczmarczyk, note 9 above.

Congress has long recognized that telework by federal personnel can yield important benefits to agencies and the public, and Congress previously has mostly used the appropriations process to support telework policies and programs. In 1990 the Treasury, Postal Service, and General Government Appropriations Act for fiscal year 1991 authorized federal agencies to pay for telephone lines, related equipment, and monthly fees in the homes of teleworkers participating in a telework pilot program.¹⁵ Five years later, that authorization was made permanent in the same appropriations bill for fiscal year 1996.¹⁶

In October 2000, the Department of Transportation and Related Appropriations Act for fiscal year 2001 included provisions that required each executive agency “to establish a policy under which eligible employees of the agency may participate in telecommuting to the maximum extent possible without diminished employee performance,” and required the Director of OPM to apply the requirements of the legislation to 25 percent of the federal workforce population in 2001 and to an additional 25 percent of the federal workforce population each year thereafter.¹⁷ To further keep track of agencies’ compliance with telework requirements, the legislation required the OPM to conduct an annual survey of federal agencies’ implementation of telework.¹⁸

OPM reported that, between 2001 and 2004, the number of federal employees eligible to telework rose from 521,542 to 752,337, bringing the total eligibility up to 44 percent of the 1.7 million member federal workforce.¹⁹ Furthermore, the number of federal employees who were actually teleworking rose from 72,844 to 140,694 between 2001 and 2004.²⁰ However, in 2003, the Government Accountability Office (GAO) reported that, since each agency had its own telework policy to fit the agency’s mission and culture, efforts to report on and measure telework programs were inconsistent.²¹

In response to the low percentage of federal employees actually participating in telework, Congress adopted a requirement, as part of the fiscal year 2004 Commerce, Justice, State, the Judiciary, and Related Agencies Appropriations Act, that agencies must designate an employee to be the telework coordinator and take on the responsibility of developing agency telework programs.²² The next year, Congress approved a provision in the fiscal year 2005 Commerce, Justice, and State Appropriations Act that required each agency within that bill’s jurisdiction to report to the Appropriations Committees and certify that telework opportunities were offered to 100 percent of the eligible workforce.²³ If agencies did not meet this requirement, \$5 million would be withheld from their funding.²⁴ Sub-

¹⁵ Pub. L. No. 101–509, Sec. 624 (Nov. 5, 1990).

¹⁶ Pub. L. No. 104–52, Sec. 620 (Nov. 19, 1995).

¹⁷ Pub. L. No. 106–346, Sec. 359 (Oct. 23, 2003).

¹⁸ *Id.*

¹⁹ U.S. Office of Personnel Management, *The Status of Telework in the Federal Government* 2002, available online at [http://www.telework.gov/Reports_and_Studies/tw_rpt02/status-toc.aspx]; U.S. Office of Personnel Management, *The Status of Telework in the Federal Government* 2005 (December 2005), available online at [http://www.telework.gov/tw_rpt05/index.aspx].

²⁰ *Id.*, at page i.

²¹ U.S. Government Accountability Office, *Human Capital: Further Guidance, Assistance, and Coordination Can Improve Federal Telework Efforts* (GAO–03–679) (July 2003).

²² Pub. L. No. 108–199, Sec. 627 (Jan. 23, 2004).

²³ Pub. L. No. 108–447, Sec. 622 (Dec. 8, 2004).

²⁴ *Id.*

sequently, the Science, State, Justice, Commerce, and Related Agencies Appropriations Act for fiscal year 2006 included provisions to withhold \$5 million from those agencies if they had not increased the number of eligible teleworkers above the previous year's level and provide quarterly reports to the Appropriations Committee on the status.²⁵

Despite these actions by Congress, and despite resources provided by OPM and GSA, only 110,592 employees were teleworking in the federal government and only slightly more than half of those employees were teleworking one or more days per week, according to the 2007 Annual Telework Report from OPM.²⁶ In comparison, 1,250,980 employees were eligible to telework and only 554,761 employees were ineligible to telework.²⁷ When looking at significant barriers to telework, OPM's 2007 telework survey reported that 60 percent of agencies said ensuring adequate "office coverage" (i.e., ensuring that necessary in-office functions are staffed) was a barrier, 49 percent cited "management resistance," and 46 percent said that "organizational culture" was a barrier.²⁸ All three of these issues reflect the challenge for agency leadership in making telework a priority in the culture, management, and operations of the agency.

This issue of agency leadership as a barrier to telework was highlighted by a number of witnesses during the OGM hearing. The PTO Director, who has established a robust telework policy, discussed the importance of convincing management to support telework:

The leaders really had to be convinced originally by some very bright people within the office who recognized the good that could be done and that telework would improve morale. Managers who were just honored at the tenth anniversary of our program went to leadership at the highest levels to request we get this done. Then it was just a matter of making certain all the managers realized this is our direction and vision.²⁹

The difficulties gaining manager support for telework were further illustrated by a survey conducted by the Telework Exchange and the Federal Managers Association (FMA), which found that only 35 percent of managers felt their agencies supported telework.³⁰ As explained in testimony by a representative of FMA, the study found that managers cite fear of not having control over employees and productivity issues as the top inhibitors of telework.³¹ However, the study also found that, as managers become more exposed to and involved with telework, they express more favorable attitudes towards telework.³²

²⁵ Pub. L. No. 109-108, Secs. 617 and 619 (Nov. 22, 2005).

²⁶ 2007 Telework Status Report, note 4 above.

²⁷ *Id.*, at page 8.

²⁸ *Id.*, at page 6.

²⁹ Oral testimony of Dudas at Telework Hearing, note 6 above, at page 13.

³⁰ Telework Exchange and the Federal Managers Association, Face-to-Face with Management Reality—A Telework Research Report (January 22, 2007), available online at <http://www.teleworkexchange.com/managementstudy/Face-to-Face-with-Management-Reality-Study-012207.pdf>, at slide 5.

³¹ Testimony of Tom Davison, Trustee, Chapter 275, Environmental Protection Agency Region 5 FMA, at Telework Hearing, note 6 above.

³² *Id.*

To help address managers' concerns and provide them reassurance about telework, the FMA witness recommended training of both managers and employees:

Strong policies and procedures in place before teleworking occurs is one way to ensure employees focus on their work. . . . Educating managers and employees alike on the benefits of teleworking would certainly make one more likely to participate. Training is an essential part of helping both employees and agencies realize the benefits of teleworking. . . . Without educating managers and employees alike regarding teleworking opportunities available across the government, participation will remain stagnant.³³

S. 1000, the Telework Enhancement Act of 2007, is designed to address these leadership barriers and to enable greater implementation of telework at federal agencies. Specifically, the appointment of a Telework Managing Officer (TMO) under S.1000 is important to overcoming an agency's leadership barriers. Appointing a TMO whose primary responsibility is to oversee and implement telework policies at a given agency will enable the agency to focus the TMO's time solely on telework issues for the agency.

This legislation would be the first comprehensive authorization measure addressing telework policies within the government. Telework is an important component of an agencies' culture, and agency leadership should think of telework programs as a part of overall human capital and agency management strategies. The Committee believes this legislation strikes an appropriate balance by mandating that each agency must establish a telework policy, while providing agencies with flexibility to work telework programs into their culture and mission in an appropriate manner.

In addition to establishing a telework policy, each agency would be required by the bill to determine whether employees are eligible to participate in telework and to notify the employees of their eligibility. Eligibility criteria ensure that telework will not diminish performance. Each agency would also have to set up a training program for all employees and managers involved in telework.

III. LEGISLATIVE HISTORY

S. 1000 was introduced by Senator Ted Stevens on March 27, 2007, and was referred to the Committee on Homeland Security and Governmental Affairs. The bill was referred to the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia on June 6, 2007. S. 1000 was co-sponsored by Senator Landrieu, Senator Voinovich, and Senator Coleman.

The Subcommittee held a hearing on June 12, 2007, entitled "Assessing Telework Policies and Initiatives in the Federal Government." Testimony was received from: Daniel Green, Deputy Associate Director, Center for Employee and Family Support Policy, OPM; The Honorable Jon Dudas, Under Secretary of Commerce for Intellectual Property and Director, PTO; Stan Kaczmarczyk, Principal Deputy Associate Administrator for Government-Wide Policy,

³³Id.

GSA; Bernice Steinhardt, Director of Strategic Issues, GAO; Tom Davison, Trustee of Chapter 275, Environmental Protection Agency Region 5 FMA; Stephen O’Keeffe, Executive Officer, Telework Exchange; and David Isaacs, Government Affairs Director, Hewlett-Packard, Inc.

On November 14, 2007, the Committee considered S. 1000. The Committee ordered the bill favorably reported as amended by the Akaka-Stevens Substitute Amendment by voice vote. Members present were Lieberman, Carper, McCaskill, Tester, Collins, Stevens, Voinovich, and Coleman. The substitute amendment offered during the Committee markup revised the legislation to include technical and substantive input from OPM, GSA, GAO, PTO, federal employee groups, and other Members of the Committee. The substitute amendment clarifies the eligibility and participation policy requiring agencies to develop telework agreements with employees, allows the legislative branch more flexibility in creating telework policies, allows OPM greater coordinating responsibility for developing telework guidelines for agencies, removes the specific duties and full-time senior-level employee requirements for the Telework Managing Officer, clarifies OPM’s reporting requirement and the Office of Management and Budget’s role in providing recommendations for agencies, and adds a travel expenses test program.

IV. SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section states that the Act may be cited as the “Telework Enhancement Act of 2007.”

Section 2. Definitions

This section defines “telework” as a work arrangement where the employee regularly works at home or at sites convenient to the employee’s home during at least 20 percent of each pay period.

This section also defines the term “noncompliant” as not conforming to provisions in the Act, and defines the terms “employee” and “executive agency” by cross referencing existing definitions in Title 5, United States Code.

Section 3. Executive agencies telework requirement

Subsection (a). Telework Eligibility. This subsection requires each agency to establish a telework policy, determine the eligibility for all employees of the agency to participate in telework, and notify employees of their eligibility. This must be done not later than 180 days after enactment.

Subsection (b). Participation. This subsection requires that each agency’s telework policy must—(1) ensure that telework does not diminish employee performance or agency operations, (2) require a written agreement between a manager and employee in order for that employee to participate in telework, (3) provide that employees may not be eligible to telework if they violate the terms of the written agreement, (4) exempt employees whose duties require daily physical presence for activity with equipment or handling of secure materials (except in an emergency), and (5) determine how

telework may be used as part of the continuity of operations plans in the event of an emergency.

Section 4. Training and monitoring

This section requires that agencies develop interactive, instructor-lead telework training programs for all employees eligible to participate in telework and all managers of teleworkers. The section further requires that, for employee performance appraisals, no distinction is to be made between employees who telework and those who do not, and that, when determining diminished employee performance, agencies are to consult OPM performance management guidelines.

Section 5. Policy and support

Subsection (a). Agency Consultation With the Office of Personnel Management. This subsection requires executive agencies to consult with OPM when developing telework policies.

Subsection (b). Guidance and Consultation. This subsection requires OPM to provide telework policies and guidance to agencies in the areas of pay and leave, agency closure, performance management, official worksite, recruitment and retention, and accommodation for employees with disabilities. In developing this policy and guidance, OPM is to consult with the Federal Emergency Management Agency (FEMA) in the areas of continuity of operations and long-term emergencies, and with the General Services Administration (GSA) in the areas of telework centers, travel, technology, equipment, and dependent care.

Subsection (c). Continuity of Operations Plans. This subsection provides that, when an agency is operating under a continuity of operations plan, that plan will supersede any telework policy.

Subsection (d). Telework Web site. This subsection requires OPM to maintain a Web site dedicated to telework, including telework-related links, announcements, guidance developed by OPM, and guidance submitted by FEMA or GSA to OPM.

Section 6. Telework Managing Officer

Subsection (a). In General. This subsection requires the head of each executive agency to appoint an employee of the agency to serve as the Telework Managing Officer, which is to be established in the office of the Chief Human Capital Officer or comparable office. This subsection also makes conforming amendments to two previous appropriations acts, so that telework-related positions established under those acts are renamed "Telework Managing Officers."

Subsection (b). Duties. This subsection states that the Telework Managing Officer will be devoted to policy development and implementation related to agency telework programs; will advise agency leadership on telework issues, be a resource for managers and employees, and serve as a primary point of contact for OPM on telework; and will perform other duties as assigned.

Section 7. Annual report to Congress

This section requires that OPM submit a report to this Committee and to the House Committee on Oversight and Government Reform addressing telework programs at executive agencies within

18 months after the date of enactment and then every year thereafter. OPM is also required to transmit a copy of its annual telework report to the Government Accountability Office (GAO) and to the Office of Management and Budget (OMB).

OPM's annual telework reports must include the following information as provided to OPM by each executive agency: the agency's telework policy and measures to carry it out and an analysis of the telework participation by the agency's employees during the preceding year. OPM's annual reports must also include: an assessment of each executive agency's progress in maximizing telework opportunities without diminishing performance; each agency's definition of telework; certain statistics on the eligibility and participation of each agency's employees in telework; the extent to which barriers to telework opportunities have been removed; and best practices in telework programs.

Section 8. Compliance of executive agencies

Subsection (a). Executive Agencies. This subsection establishes that an executive agency will be in compliance with the Act if each agency employee who participates in telework regularly works at home or at sites convenient to the employee's home during at least 20 percent of each pay period.

Subsection (b). Agency Manager Reports. This subsection requires each manager within an executive agency to submit an annual report to the agency's Telework Managing Officer and Chief Human Capital Officer summarizing the efforts to promote telework opportunities and any obstacles to that manager's ability to promote telework opportunities.

Subsection (c). Chief Human Capital Officer Reports. This subsection requires the Chief Human Capital Officer of each executive agency, in consultation with the agency's Telework Managing Officer, to submit annually to the Chair and Vice Chair of the Chief Human Capital Officers (CHCO) Council a report on agency management efforts to promote telework. Then the Chair and Vice Chair are required to include relevant information from those reports in OPM's annual telework report to Congress.

Subsection (d). Compliance Reports. This subsection requires OMB to submit a report to Congress annually, within 90 days after submission of OPM's annual telework report. The report from OMB must identify executive agencies that OMB determines are non-compliant with the Act, describe progress towards compliance and justifications of any continuing non-compliance, and recommend corrective action plans to eliminate non-compliance.

Section 9. Congress and legislative branch agencies

Subsection (a). Definition. This subsection defines the term "legislative branch agencies" to mean GAO, the Library of Congress, the Government Printing Office, the Capitol Guide Service, the Capitol Police, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, and the Office of Compliance.

Subsection (b). Application to Legislative Branch Employees.

Paragraphs (1)–(2). Senate, House of Representatives. These paragraphs require that, not later than 180 days after enactment, telework policy guidelines be established for the Senate and for the

House of Representatives. Guidelines for the Senate will be established by the Committee on Rules and Administration, in consultation with the Majority Leader and Minority Leader, and guidelines for the House of Representatives will be established by the Committee on House Administration, in consultation with the Speaker and the Minority Leader. Not later than 180 days after the telework policy guidelines for the Senate or for the House of Representatives are established, each employing authority included under the guidelines will submit to the Senate Rules Committee or to the House Administration Committee a telework policy under which covered employees may be authorized to telework.

Paragraph (3). Legislative branch agencies. This paragraph requires that, not later than 180 days after enactment, each legislative branch agency must establish a telework policy under which covered employees may be authorized to telework.

Paragraph (4). Training. This paragraph requires training of all legislative-branch employees and managers involved in telework.

Paragraph (5). Similar policies. This paragraph provides that the telework policies established in the legislative branch may be similar to the policies developed by executive branch agencies, but the requirements applicable to the executive branch are not applicable to telework policies in the legislative branch.

Section 10. Extension of Travel Expenses Test Programs

This section reauthorizes and modifies the travel expenses test program under 5 U.S.C. 5710, which has expired. Specifically, the section extends the authority to conduct travel expenses tests until 16 years after the authority was originally enacted (i.e., until October 19, 2014), and repeals a provision in the existing statute that limits each travel expenses test to a period of only 24 months.

After reauthorization, 5 U.S.C. 5710 will allow a federal agency to seek GSA's approval of a test program under which the agency may pay its employees' necessary travel expenses, instead of paying the amounts of travel expenses ordinarily specified in statute. This would include the authority to seek GSA's approval of a test program under which the agency could pay certain travel expenses of teleworkers at the agency.

V. ESTIMATED COST OF LEGISLATION

JANUARY 28, 2007.

Hon. JOSEPH I. LIEBERMAN,
Chairman, Committee on Homeland Security and Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1000, the Telework Enhancement Act of 2007.

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.

S. 1000—Telework Enhancement Act of 2007

S. 1000 would require the executive and legislative branches of the federal government to establish policies to determine which federal employees are eligible to participate in federal telework programs (programs that enable employees to work part time from places other than their official duty station for one day per 40-hour workweek). In addition, S. 1000 would reauthorize a travel expenses test program for an additional nine years.

CBO estimates that implementing S. 1000 would increase administrative costs across federal agencies by \$5 million in 2008 and much smaller amounts in subsequent years for executive and legislative agencies to notify employees of their eligibility to participate in telework programs and to satisfy the reporting requirements specified in the bill. S. 1000 could also affect direct spending, but CBO estimates that any amounts would not be significant in any year. Enacting the bill would not affect revenues.

Under current law, executive branch agencies are required to establish policies for employees to participate in telework programs to the maximum extent possible without diminishing employees' performance. The General Services Administration (GSA) and the Office of Personnel Management provide guidance and resources to federal agencies to support telework policies governmentwide. (Although not required, some legislative branch agencies currently offer some telework programs that are similar to those of the executive branch.) This bill would require agencies to establish and implement policies to enable eligible employees to participate in telework programs, adding to annual administrative costs.

For most agencies, any such impact on spending would be subject to the availability of appropriated funds; however, the bill could affect direct spending by agencies not funded through annual appropriations, such as the Tennessee Valley Authority and the Bonneville Power Administration. CBO estimates, however, that any increase in spending for telework programs by those agencies would not be significant.

By reauthorizing the travel expenses test program, the bill also would allow agencies with the approval of GSA to test new and innovative methods of reimbursing employees' travel expenses (this authority expired in 2005). Based on information from GSA and the experience of similar programs, CBO estimates that enacting this provision would have no significant impact on the federal budget.

S. 1000 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 M. Gullo, Deputy Assistant Director for Budget Analysis.

VI. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill.

VII. CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic and existing law, in which no change is proposed, is shown in roman):

TITLE 5, UNITED STATES CODE: GOVERNMENT ORGANIZATION AND EMPLOYEES

PART III—EMPLOYEES

CHAPTER 57—TRAVEL, TRANSPORTATION, AND SUBSISTENCE

§ 5710. Authority for travel expenses test programs

(a)(1) Notwithstanding any other provision of this subchapter, under a test program which the Administrator of General Services determines to be in the interest of the Government and approves, an agency may pay through the proper disbursing official **for a period not to exceed 24 months** any necessary travel expenses in lieu of any payment otherwise authorized or required under this subchapter.

* * * * *

(e) The authority to conduct test programs under this section shall expire **7 years** *16 years* after the date of the enactment of the Travel and Transportation Reform Act of 1998.

