



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

September 5, 2008

S. 2967

A bill to provide for certain federal employee benefits to be continued for certain employees of the Senate restaurants after operations of the Senate restaurants are contracted to be performed by a private business concern, and for other purposes

*As cleared by the Congress on July 10, 2008,
and signed by the President on July 17, 2008*

SUMMARY

S. 2967 (enacted as Public Law 110-279) will ensure that the salaries and benefits of certain employees of the Senate restaurants are not reduced after the privatization of the facilities.

The direct spending costs of the legislation total \$3 million between 2009 and 2018, CBO estimates. That cost stems from two sources. Some employees will likely retire earlier than they otherwise would have, leading to increased outlays for federal retirement and health benefits. S. 2967 also provides such benefits for employees eligible to retire between 2009 and 2018 who, absent the act, would not have been federal employees and therefore would not have received federal retirement or health benefits.

CBO estimates that revenues will increase by less than \$500,000 over the 10-year period as a result of additional employee contributions toward retirement benefits.

Implementing S. 2967 also will affect discretionary spending through increased agency contributions for retirement costs as well as increased salary payments, CBO estimates; those amounts (estimated to total about \$7 million over the 10-year period) are subject to future appropriation actions.

The CBO staff contact for this estimate is Amber Marcellino. This estimate was approved by Theresa A. Gullo, Deputy Assistant Director for Budget Analysis.