



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 12, 2007

H.R. 2831

Lilly Ledbetter Fair Pay Act of 2007

As ordered reported by the House Committee on Education and Labor on June 27, 2007

H.R. 2831 would effectively reverse a recent Supreme Court decision (*Ledbetter v. Goodyear Tire and Rubber Co.*, No. 05-1074, May 29, 2007) that addressed the time period during which employees may file claims for pay discrimination. The Court ruled that the statute of limitations for such claims begins when the original discriminatory act occurs and is communicated to the employee. Under H.R. 2831, the statute of limitations would begin whenever an employee receives any wages, benefits, or other compensation affected by the alleged discriminatory act.

H.R. 2831 would not establish a new cause of action for claims of pay discrimination. Because many variables influence the filing of a claim for pay discrimination, CBO expects that the bill would not significantly affect the number of filings with the Equal Employment Opportunity Commission (EEOC). Based on information from that agency, CBO estimates the H.R. 2831 would not significantly increase costs to the EEOC or to the federal courts over the 2008-2012 period. Enacting the bill would not affect revenues or direct spending.

Section 4 of the Unfunded Mandates Reform Act of 1995 excludes from the application of that act legislative provisions that enforce statutory rights that prohibit discrimination on the basis of race, color, religion, sex, national origin, age, handicap, or disability. CBO has determined that H.R. 2831 falls within that exclusion and has not reviewed the bill for intergovernmental or private-sector mandates.

The CBO staff contact for this estimate is Mark Grabowicz. This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.