



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 20, 2009

S. 736 **Federal Hiring Process Improvement Act of 2009**

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on July 29, 2009*

S. 736 would require all federal agencies to streamline their recruitment and hiring processes. The bill would require agencies to develop plans to identify hiring needs and recruitment strategies, shorten the hiring process and make it more applicant-friendly, maintain an inventory of all federal job applicants, and measure the effectiveness of those hiring reforms and efforts.

Most of the provisions of S. 736 would codify and expand the current recruiting and hiring practices of most federal agencies and would not significantly increase the costs of carrying out those activities. The Office of Management and Budget requested in June of this year that agencies improve their hiring processes including creating timeliness, using plain language, and streamlining announcements and communications with applicants. In addition, the Office of Personnel Management (OPM) has designed templates and is providing training to assist agencies as they streamline those processes.

Based on information from OPM and selected agencies, CBO expects that enacting S. 736 would impose additional requirements on agencies primarily to gather and analyze hiring statistics and to provide reports to the Congress. Subject to the availability of appropriated funds, CBO estimate that such activities would cost agencies about \$40 million over the next five years (\$15 million in 2010 to develop these data-gathering systems and smaller amounts annually thereafter to maintain them). Enacting the bill also could affect direct spending by agencies not funded through annual appropriations (such as the Tennessee Valley Authority or the U.S. Postal Service). CBO estimates, however, that any increase in spending by those agencies would not be significant or would be offset by corresponding increases in rates charged by those entities. Enacting the legislation would not affect revenues.

S. 736 contains no intergovernmental or private-sector mandates as defined in 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.