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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
WASHINGTON, DC 20510–6350

October 30, 2003

Dr. Douglas Holz-Eakin
Director
Congressional Budget Office
2nd and D Streets, S.W.
Washington, DC 20515

Dear Dr. Holtz-Eakin:

Thank you for the recent briefing you provided to my staff on the Committee on Small Business concerning the impact of reserve call-ups on small business employers. The ability of reservists to contribute to national defense depends on the support of their civilian employers, the majority of which are small businesses. The recent longer and more frequent reserve deployments, however, raises questions about the rights and obligations of reservists' civilian employers. Some employers, particularly small businesses, find that they are unable to operate for lengthy periods without their valued reservist employees.

As Chair of the Committee on Small Business, I would find it helpful for you to perform an analysis of the impact of reserve call-ups on small businesses. Your analysis should examine reservists' civilian employment patterns and identify whether activations create disparate benefits or hardships for any segment of employers.

I also request that your analysis include pertinent law, including the 1994 Uniformed Services Employment and Reemployment Rights Act (USERRA) and detail the implications for employers in light of the reserve's increasing involvement in military missions. To the extent that employer hardships are identified, or might be anticipated, the paper should examine the potential costs and effectiveness of options that may alleviate those hardships without weakening our national defense.

I would appreciate your providing the results of your analysis to the Committee by September 2004. If you have any questions or need additional information, please feel free to contact Greg Wach or Matt Walker on the Committee staff at (202) 224-5175.

Sincerely,

Olympia J. Snowe
Chair