



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

February 21, 2014

H.R. 3329

A bill to enhance the ability of community financial institutions to foster economic growth and serve their communities, boost small businesses, increase individual savings, and for other purposes

*As ordered reported by the House Committee on Financial Services
on November 14, 2013*

H.R. 3329 would direct the Federal Reserve to revise certain regulations related to small bank holding companies (BHCs). Current regulations allow BHCs with assets of less than \$500 million that satisfy other tests to incur higher amounts of debt than larger institutions in order to acquire other banks. H.R. 3329 would apply the less-stringent standard to more BHCs by raising the asset limit to \$1 billion, and the bill also would allow savings and loan holding companies to qualify.

CBO estimates that H.R. 3329 would have no significant budgetary effect because the agency expects that workloads for affected financial regulators (the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency among others) would not be significantly affected by the new requirements. Enacting H.R. 3329 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 3329 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 Barbara Edwards. The estimate was approved by David Weiner, Assistant Director for Tax Analysis.