



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 7, 2014

**H.R. 4571
Encouraging Employee Ownership Act of 2014**

As ordered reported by the House Committee on Financial Services on May 22, 2014

Under current law, public companies must disclose certain information to investors if the value of securities issued by the company exceeds \$5 million. H.R. 4571 would direct the Securities and Exchange Commission (SEC) to raise that amount from \$5 million to \$20 million and to adjust the threshold for inflation every five years.

Based on information from the SEC, CBO expects that implementing H.R. 4571 would not have a significant effect on the workload of the agency, as the SEC would not go through the full rulemaking process to raise the limit. Therefore, CBO estimates that implementing H.R. 4571 would not significantly affect discretionary spending. Further, under current law, the SEC is authorized to collect fees sufficient to offset its appropriation each year; therefore, we estimate that the net cost to the SEC would be negligible, assuming appropriation actions consistent with that authority.

Enacting H.R. 4571 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply

H.R. 4571 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.

This estimate was prepared by Michael Hirsch and Susan Willie. The estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.