



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 13, 2000

H.R. 4946

National Small Business Regulatory Assistance Act of 2000

As ordered reported by the House Committee on Small Business on July 27, 2000

CBO estimates that implementing H.R. 4946 would cost about \$1 million in fiscal year 2001 and about \$2 million in each year thereafter, assuming appropriation of the necessary funds. The bill would not affect direct spending or receipts, so pay-as-you-go procedures would not apply. H.R. 4946 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

H.R. 4946 would direct the Small Business Administration (SBA) to establish a pilot program to provide assistance to small businesses to comply with federal regulations. Under current law, the SBA partially funds Small Business Development Centers (SBDCs) that assist small businesses throughout the United States. Under the bill, the SBA would choose 20 of those SBDCs to participate in the pilot program. H.R. 4946 also would direct the SBA to contract with the Association of Small Business Development Centers, a private entity that represents most SBDCs, to serve as a clearinghouse for information gathered through the pilot program and to prepare annual reports that summarize the activities of the pilot program.

The SBA currently spends about \$80 million annually to help fund around 1,000 SBDCs. Based on information from the SBA and the association, we expect that implementing H.R. 4946 would require the hiring of one or two regulatory specialists for each of the 20 SBDCs in the pilot program and one person at the association to compile information from the pilot program. CBO estimates that the costs for these additional personnel would be about \$1 million in fiscal year 2001 and about \$2 million in each year thereafter, subject to the availability of appropriated funds.

The CBO staff contact is Mark Grabowicz. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.