



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

April 29, 2002

S. 174

Microloan Program Improvement Act of 2002

As ordered reported by the House Committee on Small Business on April 17, 2002

S. 174 would make certain changes to the microloan program operated by the Small Business Administration (SBA). Under the microloan program, the SBA provides grants, loans, and loan guarantees to nonprofit organizations, which use the funds to provide small businesses with technical assistance and loans. The act would amend certain restrictions in current law concerning how the nonprofit organizations can spend the technical assistance grants they receive under the microloan program.

Based on information from the SBA, CBO expects that the act would not have a significant effect on the amounts authorized for technical assistance grants under the microloan program or on the rate at which funds are spent. Therefore, we estimate that implementing S. 174 would not have a significant impact on the federal budget. Because S. 174 would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

S. 174 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.

On March 16, 2001, CBO transmitted a cost estimate for S. 174, the Microloan Program Improvement Act of 2001, as ordered reported by the Senate Committee on Small Business on February 28, 2001. CBO estimated that the prior version of S. 174 also would have no significant budgetary effect.

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