



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 13, 2003

H.R. 1772 **Small Business Advocacy Improvement Act of 2003**

As ordered reported by the House Committee on Small Business on June 4, 2003

H.R. 1772 would increase the amount authorized to be appropriated under current law for the Office of Advocacy within the Small Business Administration (SBA). The Office of Advocacy researches and assesses the effects of federal programs on small businesses and issues recommendations based on those findings.

CBO estimates that implementing H.R. 1772 would cost \$6 million in 2004 and \$32 million over the 2004-2008 period, assuming appropriation of the authorized amounts. H.R. 1772 would not affect direct spending or receipts.

H.R. 1772 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1772 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit). Based on information from the SBA, CBO estimates that the Office of Advocacy will spend about \$9 million in 2003. However, under current law, only \$1 million a year is authorized to be appropriated for the office for future years. H.R. 1772 would increase the authorization of appropriations for the office to \$10 million in 2003 and 2004, \$12 million in 2005, and \$14 million in 2006. Estimated outlays are based on historical spending patterns.

	By Fiscal Year, in Millions of Dollars					
	2003	2004	2005	2006	2007	2008

SPENDING SUBJECT TO APPROPRIATION

Spending for SBA's Office of Advocacy						
Under Current Law						
Authorization Level ^a	9	1	1	1	1	1
Estimated Outlays ^a	9	1	1	1	1	1
Proposed Changes						
Authorization Level ^b	1	9	11	13	0	0
Estimated Outlays ^b	0	6	10	12	3	1
Spending for SBA's Office of Advocacy						
Under H.R. 1772						
Estimated Authorization Level ^a	10	10	12	14	1	1
Estimated Outlays ^a	9	7	11	13	4	2

- a. The 2003 level is the estimated spending of the Office of Advocacy in that year.
 - b. CBO assumes that the legislation will be enacted near the end of fiscal year 2003 and will not affect spending for this year even though the bill would authorize the appropriation of an additional \$1 million for 2003.
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INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1772 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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