



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 14, 2007

H.R. 2397
SBA Women's Business Programs Act of 2007

As ordered reported by the House Committee on Small Business on May 23, 2007

H.R. 2397 would revise the method used by the Small Business Administration (SBA) to award grants that support the activities of women's business centers. The bill also would make several technical changes in the program that supports small businesses owned or controlled by women. Assuming appropriation of the necessary amounts, CBO estimates that implementing the provisions of H.R. 2397 would cost less than \$500,000 per year. Enacting the bill would not affect direct spending or revenues.

H.R. 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.

Under current law, SBA provides grants to conduct five-year projects to provide financial, management, and marketing assistance to businesses owned or controlled by women.

H.R. 2397 would create three levels of funding to support the activities of women's business centers:

- The first tier of grants which would be allocated 40 percent of available funds would support new five-year projects.
- The second tier which would be allocated 20 percent of available funds would support three-year projects in an area where a first-tier project is being completed.
- The third tier which would be allocated 20 percent of available funds would support three-year projects in an area where a second-tier project is being completed, and would be subject to certain performance benchmarks.

Other provisions of the bill would relax requirements placed on women's business centers to provide matching funds in certain situations, require SBA to make financial assistance awards to women's business centers available to the public, and require the National Women's Business Council to prepare two new reports on its activities.

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