



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

October 31, 2011

**H.R. 2940
Access to Capital for Job Creators Act**

As ordered reported by the House Committee on Financial Services on October 26, 2011

Under current law, securities may be sold through private offerings, that is, sales that are made to a limited number of eligible investors rather than to the general public, without being registered with the Securities and Exchange Commission (SEC). Issuers of securities through such offerings are prohibited from using general solicitation or advertising to market the securities. H.R. 2940 would eliminate that prohibition, allowing an issuer to advertise the availability of a private offering to the general public, and would require issuers to verify that purchasers meet eligibility requirements as defined in the statute.

Based on information from the SEC, CBO estimates that implementing H.R. 2940 would have a negligible effect on SEC's workload, and any change in agency spending that is subject to appropriation would not be significant. Enacting H.R. 2940 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 2940 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.

The CBO staff contact for this estimate is Susan Willie. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.