



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

June 19, 2015

**H.R. 1675**  
**Encouraging Employee Ownership Act of 2015**

*As ordered reported by the House Committee on Financial Services on May 20, 2015*

Under current law, public companies must disclose certain information to investors if the value of securities issued by the company exceeds \$5 million. H.R. 1675 would direct the Securities and Exchange Commission (SEC) to raise that amount from \$5 million to \$10 million and to adjust the threshold every five years for inflation.

CBO expects that implementing H.R. 1675 would require the SEC to issue new rules to adjust the disclosure threshold. Based on information from the SEC, CBO estimates that implementing H.R. 1675 would cost less than \$500,000 over the 2016-2020 period. Under current law, the SEC is authorized to collect fees sufficient to offset its appropriation each year; therefore, we estimate that the net cost to the SEC would be negligible, assuming appropriation actions consistent with that authority. Enacting H.R. 1675 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1675 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.

This estimate was prepared by Susan Willie and Ben Christopher. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.