



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

July 9, 2013

**H.R. 1105**  
**Small Business Capital Access and Job Preservation Act**

*As ordered reported by the House Committee on Financial Services  
on June 19, 2013*

H.R. 1105 would exempt investment advisers from the Security and Exchange Commission's (SEC's) registration and reporting requirements when they provide advice to a private equity fund with outstanding debt that is less than twice the amount of capital that has been committed to and invested by the fund. The bill would direct the SEC to adopt rules requiring exempt advisors to maintain records and provide reports to the commission as deemed necessary based on the fund's size, governance, risk, and investment strategy. Under current law, investment advisers do not have to register or report to the SEC if they advise only venture capital funds that meet certain qualifications.

Based on information from the SEC, CBO expects that implementing H.R. 1105 would not have a significant effect on the agency's workload. Therefore, we estimate that implementing the bill would not have a significant effect on spending that is subject to appropriation. Further, the SEC is authorized to collect fees sufficient to offset its annual appropriation; therefore, CBO estimates that the net budgetary effect of implementing H.R. 1105 would be negligible. Enacting H.R. 1105 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1105 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. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.