



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

May 26, 2011

H.R. 1573

**A bill to facilitate implementation of title VII of the
Dodd-Frank Wall Street Reform and Consumer Protection Act,
promote regulatory coordination, and avoid market disruption**

As ordered reported by the House Committee on Financial Services on May 24, 2011

H.R. 1573 would extend the effective date for certain regulations that are being developed by the Commodity Futures Trading Commission (CFTC) and the Securities and Exchange Commission (SEC); those regulations relate to entities that trade in, or assist in the trading of, financial instruments known as over-the-counter derivatives. The bill also would require the agencies to solicit comments from the public regarding implementation of proposed regulations and to consider that information when analyzing costs and benefits of the final regulations. Finally, the bill would authorize the agencies to exempt certain entities from regulation if those entities are subject to comparable requirements of another financial regulator in the United States or in the entity's home country.

Based on information from the CFTC and the SEC, CBO estimates that implementing the provisions of H.R. 1573 would not significantly affect the staffing levels or spending of either agency. Enacting H.R. 1573 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1573 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

On May 11, 2011, CBO transmitted an estimate for H.R. 1573, as ordered reported by the House Committee on Agriculture on May 4, 2011. The bills have some differences but because those differences would not affect the agencies' implementation costs, the CBO cost estimates for both versions of H.R. 1573 are the same.

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