



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 16, 2018

H.R. 4248

A bill to amend the Securities Exchange Act of 1934 to repeal certain disclosure requirements related to conflict minerals, and for other purposes

*As ordered reported by the House Committee on Financial Services
on November 15, 2017*

Under current law, the Securities and Exchange Commission (SEC) requires certain companies to disclose their use of conflict minerals that originate from the Democratic Republic of the Congo or an adjoining country in an annual report to the agency and to make that information available on the reporting company's website.¹ The Department of Commerce, the Government Accountability Office, and the Department of State also are required to produce certain reports on conflict minerals and on the accuracy of company reporting. H.R. 4248 would repeal those requirements.

Using information from the SEC, CBO estimates that implementing H.R. 4248 would have an insignificant effect on the affected agencies' costs and operations. Moreover, the SEC is authorized to collect fees sufficient to offset its annual appropriation; therefore, CBO estimates that the net effect on discretionary spending from implementing the bill would be negligible, assuming appropriation actions consistent with that authority. Furthermore, CBO estimates that repealing the reporting requirements for the other federal agencies would reduce spending subject to appropriation by less than \$500,000 a year.

Enacting H.R. 4248 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 4248 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Stephen Rabent. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

1. Conflict minerals are those that the Secretary of State has identified as helping finance conflict in the Democratic Republic of the Congo and adjoining countries in Africa. The list includes cassiterite, columbite-tantalite, gold, wolframite, and their derivatives.