



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

December 4, 2017

H.R. 4281 **Expanding Access to Capital for Rural Job Creators Act**

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

H.R. 4281 would expand the function of the Office of the Advocate for Small Business Capital Formation within the Securities and Exchange Commission (SEC) to include identifying problems that small businesses in rural areas experience with securing access to capital. The office would be required to summarize those issues within an existing annual report.

Using information from the SEC, CBO estimates that implementing H.R. 4281 would cost less than \$500,000 over the 2018-2022 period for the agency to broaden the scope of its current activities. However, because the SEC is authorized to collect fees sufficient to offset its annual appropriation and assuming that appropriation actions were consistent with that authority, CBO estimates that the net effect on discretionary spending would be negligible.

Enacting H.R. 4281 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 4281 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 4281 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA).

If the SEC increased fees to offset the costs associated with implementing the bill, H.R. 4281 would increase the cost of an existing mandate on private entities that are required to pay those assessments. CBO estimates that the incremental cost of the mandate would be small and fall well below the annual threshold for private-sector mandates established in UMRA (\$156 million in 2017, adjusted annually for inflation).

The CBO staff contacts for this estimate are Stephen Rabent (for federal costs) and Amy Petz (for mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.