



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

November 30, 2017

H.R. 477
Small Business Mergers, Acquisitions, Sales, and
Brokerage Simplification Act of 2017

As ordered reported by the House Committee on Financial Services on October 12, 2017

H.R. 477 would exempt certain brokers that perform transactions related to ownership transfers of eligible privately held companies from the requirement to register with the Securities and Exchange Commission (SEC).

Using information from the SEC, CBO estimates that implementing H.R. 477 would cost less than \$500,000 for the agency to clarify the applicability of regulations regarding registration requirements for brokers of mergers and acquisitions. Moreover, the SEC is authorized to collect fees sufficient to offset its annual appropriation; therefore, assuming appropriation actions consistent with that authority, CBO estimates that the net effect of the bill on discretionary spending would be negligible.

Enacting H.R. 477 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 477 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 477 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.