

**H.R. 4406, Small Business Development Centers Improvement Act of 2019**  
 As Passed by the House of Representatives on October 21, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
<b>Spending Subject to Appropriation (Outlays)</b>	<b>13</b>	<b>535</b>	<b>569</b>
Statutory pay-as-you-go procedures apply?	No	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 4406 would authorize the appropriation of \$175 million each year through 2023 for the Small Business Development Center program, administered by the Small Business Administration. That program provides grants to centers that counsel and train current and prospective small-business owners. In 2019, \$131 million was allocated for those purposes.

Assuming appropriation of the authorized amounts, and based on historical spending patterns, CBO estimates that implementing the legislation would cost \$535 million over the 2020-2024 period. The costs of the legislation, detailed in Table 1, fall within budget function 370 (commerce and housing credit).

**Table 1.**  
**Estimated Increases in Spending Subject to Appropriation Under H.R. 4406**

	By Fiscal Year, Millions of Dollars					2020-2024
	2020	2021	2022	2023	2024	
Authorization <sup>a</sup>	44	175	175	175	0	569
Estimated Outlays	13	75	149	175	123	535

a. Section 10 of H.R. 4406 would authorize the appropriation of \$175 million in 2020 for the Small Business Development Center program. Using information from the Small Business Administration, CBO estimates that \$131 million has been allocated for that program, on an annualized basis, from funds made available under Public Law 116-59, the current continuing resolution, which provided appropriations through November 21, 2019. Thus, the estimated authorization for 2020 (\$44 million) is equal to the amount specified in the bill (\$175 million), minus the annualized amount from the continuing resolution (\$131 million).

The CBO staff contact for this estimate is David Hughes. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.