

Reconciliation Recommendations of the House Committee on Small Business

As ordered reported on February 10, 2021

By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	48,400	49,790	49,790
Revenues	0	0	0
Increase in the Deficit	48,400	49,790	49,790
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
CBO has not reviewed the legislation for effects on spending subject to appropriation.			

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Small Business approved legislation on February 10, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate \$50 billion for programs administered by the Small Business Administration (SBA) that support businesses and other entities affected by the coronavirus pandemic. Specifically, the legislation would provide:

- \$7.25 billion for the cost of expanding eligibility for financial assistance through the Paycheck Protection Program to certain nonprofit organizations and digital media companies;
- \$15 billion for the Economic Injury Disaster Loan (EIDL) program to provide cash payments to small businesses severely affected by the pandemic;
- \$25 billion for grants to restaurants and bars that lost revenue because of the pandemic;
- \$175 million for grants to states and other entities to assist small businesses in taking advantage of government resources available during the pandemic, among other purposes;



- \$1.25 billion for the SBA's Shuttered Venue Operators Grant program, which provides grants to operators of live performance venues and to other eligible entities that lost revenue because of the pandemic;
- \$1.23 billion to the SBA for the cost of administering programs created to help small businesses affected by the pandemic;
- \$70 million for the subsidy cost of providing disaster loans; and
- \$25 million for the SBA's Office of Inspector General.

The costs of the legislation, detailed in Table 1, fall within budget functions 370 (commerce and housing credit) and 450 (community and regional development). CBO estimates that enacting the legislation would increase direct spending by \$49.8 billion over the 2021-2030 period, with most of that spending occurring in 2021 because of high demand for SBA grants and loan products.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1. Enacting the legislation would not affect revenues.

The legislation would not increase on-budget deficits in any year after 2030.

The CBO staff contacts for this estimate are David Hughes (for nondisaster programs) and Jon Sperl (for disaster programs). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

Table 1.
Estimated Budgetary Effects of the Reconciliation Recommendations of the Committee on Small Business

	By Fiscal Year, Millions of Dollars											2021-	2021-
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2030	2031
Increases in Direct Spending													
Sec. 6001 - Modifications to Paycheck Protection Program													
Budget Authority	7,250	0	0	0	0	0	0	0	0	0	0	7,250	7,250
Estimated Outlays	7,250	0	0	0	0	0	0	0	0	0	0	7,250	7,250
Sec. 6002 - Targeted EIDL Advance													
Budget Authority	15,000	0	0	0	0	0	0	0	0	0	0	15,000	15,000
Estimated Outlays	14,800	200	0	0	0	0	0	0	0	0	0	15,000	15,000
Sec. 6003 - Support for Restaurants													
Budget Authority	25,000	0	0	0	0	0	0	0	0	0	0	25,000	25,000
Estimated Outlays	25,000	0	0	0	0	0	0	0	0	0	0	25,000	25,000
Sec. 6004 - Community Navigator Pilot Program													
Budget Authority	175	0	0	0	0	0	0	0	0	0	0	175	175
Estimated Outlays	55	95	25	0	0	0	0	0	0	0	0	175	175
Sec. 6005 - Shuttered Venue Operators													
Budget Authority	1,250	0	0	0	0	0	0	0	0	0	0	1,250	1,250
Estimated Outlays	810	440	0	0	0	0	0	0	0	0	0	1,250	1,250
Sec. 6006 - Direct Appropriations													
Budget Authority	1,325	0	0	0	0	0	0	0	0	0	0	1,325	1,325
Estimated Outlays	485	395	225	5	5	0	0	0	0	0	0	1,115	1,115
Total													
Budget Authority	50,000	0	0	0	0	0	0	0	0	0	0	50,000	50,000
Estimated Outlays	48,400	1,130	250	5	5	0	0	0	0	0	0	49,790	49,790

EIDL = Economic Injury Disaster Loan