

H.R. 1161, Aligning SEC Regulations for the World Bank’s International Development Association Act

As ordered reported by the House Committee on Financial Services on February 28, 2023

By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold
* = between zero and \$500,000.			

H.R. 1161 would exempt the International Development Association at the World Bank from the requirement to register securities it issues or guarantees with the Securities and Exchange Commission (SEC). The SEC may require the Association to file additional reports and, in consultation with the National Advisory Council on International Monetary and Financial Problems, suspend the exemption at any time.

Using information about the cost of similar provisions, CBO estimates that it would cost the SEC less than \$500,000 to update rules and process any additional disclosures by the Association. Moreover, because the SEC is authorized to collect fees each year to offset its annual appropriation, CBO expects that the net effect on discretionary spending over the 2023-2028 period would be negligible, assuming appropriation actions consistent with that authority.

If the SEC increases fees to offset the costs associated with implementing the bill, H.R. 1161 would increase the cost of an existing mandate on private entities required to pay those assessments, as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the incremental cost of the mandate would be small and would fall well below the



annual threshold for private-sector mandates established in UMRA (\$198 million in 2023, adjusted annually for inflation).

H.R. 1161 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are David Hughes (for federal costs) and Rachel Austin (for Mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

A handwritten signature in black ink, appearing to read "Phillip L. Swagel".

Phillip L. Swagel
Director, Congressional Budget Office