



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

December 9, 2013

**H.R. 2274
Small Business Mergers, Acquisitions, Sales, and Brokerage
Simplification Act of 2013**

*As ordered reported by the House Committee on Financial Services
on November 14, 2013*

CBO estimates that implementing H.R. 2274 would lead to a minor increase in spending by the Securities and Exchange Commission (SEC) to clarify the applicability of regulations regarding registration requirements for brokers of mergers and acquisitions. The SEC is authorized to collect fees sufficient to offset its annual appropriation; therefore, CBO estimates that the net budgetary effect of implementing the bill would be negligible. Pay-as-you-go procedures do not apply to this legislation because it would not affect direct spending or revenues.

Under H.R. 2274, brokers engaging in certain securities transactions that involve transferring ownership of a privately held company would be exempt from requirements to register with the SEC. CBO expects that the change in the workload of the SEC to implement H.R. 2274 would not be significant because the bill would not require the agency to undertake a formal rulemaking.

H.R. 2274 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Susan Willie. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.