



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 16, 2003

H.R. 2211 **Ready to Teach Act of 2003**

*As ordered reported by the House Committee on Education and the Workforce
on June 10, 2003*

SUMMARY

H.R. 2211 would reauthorize programs under title II of the Higher Education Act. These programs are currently authorized through 2004 by the General Education Provisions Act (GEPA) and H.R. 2211 would reauthorize them through 2008. The bill also would create a new grant program for higher education institutions that have historically served minority populations and authorize these grants through 2008.

CBO estimates that authorizations under the bill would total \$219 million in 2004 and about \$1.8 billion over the 2004-2008 period, assuming that annual levels are adjusted for inflation when specific annual authorizations are not provided. (Without such inflation adjustments, the authorizations would total about \$1.7 billion over the 2004-2008 period.) CBO estimates that appropriations of the authorized levels would result in additional outlays of \$1.3 billion over the 2004-2008 period, assuming annual adjustments for inflation (and about \$1.2 billion without adjustments for inflation). Enacting H.R. 2211 would not affect direct spending or receipts.

H.R. 2211 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Any costs incurred by state and local governments would be conditions of aid or would result from participating in a voluntary federal program.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2211, with inflation adjustments for the various components of each title of the bill, is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

	By Fiscal Year, in Millions of Dollars					
	2003	2004	2005	2006	2007	2008
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority/Estimated Authorization ^a	152	154	0	0	0	0
Estimated Outlays	171	156	146	43	11	0
Proposed Changes:						
Teacher Quality Enhancement						
Estimated Authorization Level	0	209	306	313	320	327
Estimated Outlays	0	10	157	262	303	318
Preparing Tomorrow's Teachers for Technology						
Estimated Authorization Level	0	0	64	66	67	69
Estimated Outlays	0	0	3	45	62	67
Centers of Excellence						
Estimated Authorization Level	0	10	10	10	11	11
Estimated Outlays	0	1	7	9	10	11
Total Proposed Changes						
Estimated Authorization Level	0	219	381	389	397	406
Estimated Outlays	0	11	168	316	375	395
Total Spending Under H.R. 2211						
Estimated Authorization Level	152	373	381	389	397	406
Estimated Outlays	171	167	314	359	386	395

a. The 2003 level is the amount appropriated that year for the Teacher Quality Enhancement Grants and Preparing Teachers for Technology programs. The 2004 level is the 2003 level inflated.

BASIS OF ESTIMATE

H.R. 2211 would reauthorize programs under title II of the Higher Education Act. These programs are currently authorized through 2004 by GEPA and H.R. 2211 would reauthorize them through 2008. The bill also would create a new grant program for historically minority higher education institutions and authorize these grants through 2008.

H.R. 2211 would authorize additional appropriations of \$219 million in 2004. CBO estimates that this bill would authorize total funding of \$1.8 billion over the 2004-2008 period assuming that "such sums" amounts provided after 2004 are adjusted for inflation. If the authorized amounts are appropriated, outlays would increase by \$11 million in the first year and by \$1.3 billion over the five-year period.

When the 2004 authorized amounts are specified, CBO's estimate of authorized levels is the amount for 2004 adjusted for inflation in later years. When the programs are authorized at such sums as may be necessary in 2004, the 2004 authorized amount is the 2003 appropriated amount inflated. The estimated outlays reflect historical rates of spending for the affected programs.

Teacher Quality Enhancement Grants

H.R. 2211 would revise and reauthorize the Teacher Quality Enhancement Grant program. The program includes three kinds of programs—a state grant program, partnership grants, and teacher recruitment grants. The program provides funds to states and other organizations to increase the number of highly qualified teachers.

The bill would authorize an additional \$209 million (for a total of \$300 million) in 2004 and such sums as may be necessary in years 2005 through 2008 for all three programs. CBO estimates the total authorization for the 2004-2008 period would be about \$1.5 billion, assuming adjustments for inflation, with resulting outlays of \$1.05 billion over those five years. The program is funded at \$89 million in 2003.

Preparing Tomorrow's Teachers for Technology

The bill would extend authorizations of appropriations in the Preparing Tomorrow's Teachers for Technology program from 2003 through 2008. The program supports the training of prospective teachers to use advanced technology in teaching by funding consortia that include at least one higher education institution that prepares students for teaching.

The bill would reauthorize the program at such sums as may be necessary for each of the five years. For this program, CBO estimates the total authorization for the 2004-2008 period would be \$266 million, assuming adjustments for inflation, with resulting outlays of \$177 million over those five years. The program is funded at \$62 million in 2003.

Centers of Excellence

H.R. 2211 would establish a new grant program to create Centers of Excellence at higher education institutions that historically have served minority populations. The program would award competitive grants to institutions to help recruit and prepare minority teachers. The Centers could do a variety of activities such as retraining faculty, designing teacher preparation programs, and developing and implementing initiatives to promote retention of minority teachers. The bill would authorize \$10 million in 2004 and such sums as may be necessary in years 2005-2008 for the Centers. CBO estimates the total authorization for the 2004-2008 period would be \$52 million, assuming adjustments for inflation, with resulting outlays of about \$38 million over those five years.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2211 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would benefit state and local education agencies and institutions of higher education by authorizing grants to recruit teachers and improve teacher preparation programs. Any costs incurred by state and local governments would be conditions of this aid. The bill also would establish additional reporting requirements for alternative teacher certification programs, but only if they enroll students that receive federal assistance. The costs of these requirements would be insignificant and would result from voluntary participation in federal student aid programs.

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