CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 7, 2011

H.R. 1214
A bill to repeal mandatory funding for school-based health center construction

As ordered reported by the House Committee on Energy and Commerce on April 5, 2011

SUMMARY

H.R. 1214 would repeal a program established by the Patient Protection and Affordable Care Act (PPACA) that provides grant funds to eligible entities to establish health centers in school-based settings and would rescind any unobligated funds appropriated to that program.

CBO estimates that enacting the legislation would decrease direct spending by $100 million over both the 2012-2016 period and the 2012-2021 period. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1214 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012-2016	2012-2021
CHANGES IN DIRECT SPENDING												
Estimated Budget Authority	-50	-50	0	0	0	0	0	0	0	0	-100	-100
Estimated Outlays	-23	-50	-28	0	0	0	0	0	0	0	-100	-100

Note: Numbers may not sum to totals because of rounding.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted by the end of September 2011.[1] CBO estimates that H.R. 1214 would prevent the Health Resources and Services Administration from obligating any unobligated funds appropriated by PPACA for the construction and renovation of health centers in school-based settings. CBO expects that $100 million of the $200 million appropriated under PPACA for those health centers will be obligated by the time the bill is enacted. As a result, CBO estimates that enacting H.R. 1214 would reduce direct spending by the remaining unobligated amount: $100 million. Those savings would fall in fiscal years 2012, 2013, and 2014.

PAY-AS-YOU-GO CONSIDERATIONS

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 and revenues that are subject to those pay-as-you-go procedures are shown in the following table. Enacting H.R. 1214 would have no impact on federal revenues.

CBO Estimate of Pay-As-You-Go Effects for H.R. 1214, as ordered reported by the House Committee on Energy and Commerce on April 5, 2011

	By Fiscal Year, in Millions of Dollars												
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2011-2016	2011-2021
	NET DECREASE (-) IN THE DEFICIT												
Statutory Pay-As-You-Go Impact	0	-23	-50	-28	0	0	0	0	0	0	0	-100	-100

Note: Numbers may not sum to totals because of rounding.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no intergovernmental or private-sector mandates as defined in UMRA. By rescinding grant funds, the bill would decrease the amount of assistance that state, local, and tribal governments receive to construct or equip school-based health centers.

1. If the bill were to be enacted sooner than the end of fiscal year 2011, a larger unobligated balance may remain than is estimated here. In that case, the amount of budget authority that could be rescinded by this legislation would increase, resulting in a corresponding increase in savings.

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