



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Revised October 16, 2014

H.R. 4366 **Strengthening Education through Research Act**

As passed by the House of Representatives on May 8, 2014

SUMMARY

H.R. 4366 would amend and reauthorize the Education Sciences Reform Act of 2002 (ESRA) through fiscal year 2020. (This authorization would automatically be extended one year through 2021 under the General Education Provisions Act.) The legislation would authorize the appropriation of \$615 million for fiscal year 2015 and \$3.2 billion over the 2015-2019 period to support federal educational research, statistical analysis, and other activities.

CBO estimates that implementing the act would cost \$2.0 billion over the 2015-2019 period, assuming the appropriation of the authorized amounts. Enacting H.R. 4366 would have no impact on direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 4366 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

As shown in the following table, the costs of this legislation fall within budget function 500 (education, training, employment, and social services). For this estimate, CBO assumes that spending will follow historical patterns for the affected programs.

	By Fiscal Year, in Millions of Dollars					2015- 2019
	2015	2016	2017	2018	2019	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Title I—Education Sciences Reform						
Authorization Level	391	392	401	410	421	2,016
Estimated Outlays	39	157	275	396	403	1,270
Title II—Educational Technical Assistance						
Authorization Level	83	83	85	87	89	428
Estimated Outlays	8	33	58	84	85	269
Title III—National Assessment of Educational Progress						
Authorization Level	140	141	144	147	151	722
Estimated Outlays	14	56	99	142	144	455
Total Changes						
Authorization Level	615	616	629	644	662	3,166
Estimated Outlays	61	246	432	622	633	1,995

Note: Components may not add to totals because of rounding.

BASIS OF ESTIMATE

H.R. 4366 would authorize the appropriation of \$615 million in fiscal year 2015 and \$3.2 billion for the 2015-2019 period. Based on historical spending patterns, CBO estimates that fully implementing the act would cost \$2.0 billion over the 2015-2019 period, assuming the appropriation of the specified amounts.

For fiscal year 2014, the Congress appropriated \$615 million for programs in ESRA. All of the previous authorizations for programs in ESRA expired in either 2008 or 2010.

Title I—Education Sciences Reform

Title I would reauthorize funding for the Institute of Education Sciences, an independent institute within the Department of Education that conducts and oversees education research. H.R. 4366 would authorize a total of \$391 million for fiscal year 2015, including \$54 million for the National Center for Special Education Research and \$337 million for the rest of title I. The Congress appropriated the same level of funding

for those activities in fiscal year 2014. The act would authorize funding of \$2.0 billion over five years for those activities. CBO estimates that implementing this title would cost about \$1.3 billion over the 2015-2019 period.

Title II—Educational Technical Assistance

Title II would reauthorize the Educational Technical Assistance Act (ETAA), which authorizes two grant programs at the Department of Education. The first program provides funds to states to develop and expand longitudinal data systems. The second provides funds to local organizations to provide technical assistance for and evaluation of issues such as meeting requirements in the Elementary and Secondary Education Act. The legislation would authorize the appropriation of \$83 million for fiscal year 2015 and \$428 million over five years; and CBO estimates that implementing this title would cost about \$270 million over the 2015-2019 period. The Congress appropriated \$83 million for those purposes in fiscal year 2014.

Title III—National Assessment of Educational Progress

Title III would reauthorize the National Assessment of Educational Progress (NAEP) Authorization Act. That act authorizes funding for overseeing and administering a series of assessments of student achievement in mathematics and reading. For fiscal year 2015, H.R. 4366 would authorize the appropriation of \$140 million: \$8 million for the National Assessment Governing Board, which oversees the administration of the NAEP, and \$132 million for administration of the assessments. The Congress appropriated similar funding levels for those activities in fiscal year 2014. The legislation would authorize funding of \$722 million over five years for those activities; CBO estimates that implementing this title would cost \$455 million over the 2015-2019 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4366 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. State and local governments could benefit from grants authorized in the act for education research and related activities. Any costs associated with receiving such grants would be incurred voluntarily as a condition of receiving federal assistance.

PREVIOUS CBO ESTIMATE

On April 21, 2014, CBO transmitted a cost estimate for H.R. 4366 as ordered reported by the House Committee on Education and the Workforce on April 8, 2014. Subsequent to that estimate, the House of Representatives passed H.R. 4366 on May 8, 2014. While the year-by-year authorization amounts in CBO's original estimate are correct, that estimate had an incorrect total for the authorization level over the 2015-2019 period. This revised cost estimate corrects that mistake. The estimate of outlays for implementing the act remains unchanged.

ESTIMATE PREPARED BY:

Federal Costs: Justin Humphrey
Impact on State, Local, and Tribal Governments: J'nell Blanco Suchy
Impact on the Private Sector: Chung Kim

ESTIMATE APPROVED BY:

Peter H. Fontaine
Assistant Director for Budget Analysis