



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 8, 2015

S. 1177 **Every Child Achieves Act of 2015**

*As reported by the Senate Committee on Health, Education, Labor, and Pensions
on April 30, 2015*

SUMMARY

S. 1177 would amend and reauthorize the Elementary and Secondary Education Act of 1965 (the ESEA, commonly referred to, in its most recently reauthorized form, as No Child Left Behind). The underlying authorizations for those programs have expired, although most have continued to receive appropriations.

This bill would authorize the appropriation of “such sums as may be necessary” through fiscal year 2021 for various grant programs; those authorizations would automatically be extended one year, through 2022, under the General Education Provisions Act (GEPA). The bill also would amend and reauthorize the McKinney-Vento Homeless Assistance Act, which authorizes grants to assist in the education of homeless children.

CBO estimates that S. 1177 would authorize the appropriation of \$23.9 billion in 2016 and \$124.2 billion over the 2016-2020 period. Assuming appropriation of those amounts, CBO estimates that implementing the bill would have discretionary costs of \$92.1 billion over the 2016-2020 period.

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 1177 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 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 | | | | | 2016- 2020 |
|---|--|--------|--------|--------|--------|---------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | |
| CHANGES IN SPENDING SUBJECT TO APPROPRIATION | | | | | | |
| Title I: Improving the Academic Achievement of the Disadvantaged | | | | | | |
| Estimated Authorization Level | 15,918 | 16,201 | 16,530 | 16,859 | 17,204 | 82,712 |
| Estimated Outlays | 318 | 12,422 | 15,508 | 16,453 | 16,780 | 61,482 |
| Title II: Preparing, Training, and Recruiting High-Quality Teachers, Principals, and Other School Leaders | | | | | | |
| Estimated Authorization Level | 2,987 | 3,040 | 3,101 | 3,163 | 3,228 | 15,519 |
| Estimated Outlays | 60 | 1,793 | 2,721 | 3,073 | 3,134 | 10,780 |
| Title III: Language Instruction for Limited English Proficient and Immigrant Students | | | | | | |
| Estimated Authorization Level | 748 | 762 | 777 | 793 | 809 | 3,889 |
| Estimated Outlays | 7 | 472 | 705 | 741 | 756 | 2,680 |
| Title IV: Safe and Healthy Students | | | | | | |
| Estimated Authorization Level | 1,563 | 1,591 | 1,623 | 1,656 | 1,689 | 8,122 |
| Estimated Outlays | 31 | 938 | 1,424 | 1,608 | 1,640 | 5,642 |
| Title V: Empowering Parents and Expanding Opportunity Through Innovation | | | | | | |
| Estimated Authorization Level | 943 | 960 | 979 | 999 | 1,019 | 4,900 |
| Estimated Outlays | 19 | 566 | 859 | 970 | 989 | 3,404 |
| Title VI: Flexibility and Accountability | | | | | | |
| Estimated Authorization Level | 172 | 175 | 179 | 183 | 186 | 896 |
| Estimated Outlays | 3 | 103 | 157 | 177 | 181 | 622 |
| Title VII: Indian, Native Hawaiian, and Alaska Native Education | | | | | | |
| Estimated Authorization Level | 198 | 201 | 205 | 209 | 214 | 1,027 |
| Estimated Outlays | 4 | 174 | 193 | 201 | 205 | 777 |
| Title VIII: Impact Aid | | | | | | |
| Estimated Authorization Level | 1,308 | 1,331 | 1,358 | 1,385 | 1,413 | 6,796 |
| Estimated Outlays | 1,163 | 1,214 | 1,351 | 1,380 | 1,408 | 6,515 |
| Title IX: General Provisions | | | | | | |
| Estimated Authorization Level | 1 | 1 | 1 | 1 | 1 | 4 |
| Estimated Outlays | * | 1 | 1 | 1 | 1 | 3 |

(Continued)

Table Continued.

| | By Fiscal Year, in Millions of Dollars | | | | | 2016- 2020 |
|---|--|--------|--------|--------|--------|---------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | |
| <hr/> | | | | | | |
| Title X: Education for Homeless Children and Youths | | | | | | |
| Estimated Authorization Level | 66 | 67 | 69 | 70 | 71 | 343 |
| Estimated Outlays | 1 | 40 | 60 | 68 | 69 | 238 |
| | | | | | | |
| Total Changes | | | | | | |
| Estimated Authorization Level | 23,904 | 24,328 | 24,823 | 25,317 | 25,835 | 124,207 |
| Estimated Outlays | 1,608 | 17,723 | 22,979 | 24,671 | 25,163 | 92,143 |

Notes: Some programs have received advance appropriations for fiscal year 2016; those amounts are not reflected in the table. Instead, the table shows the additional funding that would be authorized for 2016.

Components may not sum to totals because of rounding.

* = less than \$500,000.

BASIS OF ESTIMATE

S. 1177 would authorize the appropriation of “such sums as may be necessary” for each of fiscal years 2016 to 2021 for programs in the ESEA; those authorizations would automatically be extended one year, through 2022, under GEPA. CBO based the estimate of authorization levels on funding levels provided for fiscal year 2015 (or previous years if funding was not provided in 2015) for the same or similar programs administered by the Department of Education, adjusted each year for inflation. For this estimate, CBO assumes that the bill will be enacted before the start of fiscal year 2016, that the estimated amounts will be appropriated for each year, and that spending will follow historical patterns for the affected programs. In addition, title and part headings in this estimate refer to the ESEA as amended by S. 1177.

In total, CBO estimates that S. 1177 would authorize the appropriation of \$23.9 billion in fiscal year 2016 and \$124.2 billion over the 2016-2020 period. Assuming appropriation of the estimated amounts, CBO estimates that implementing the provisions of the bill would cost about \$92.1 billion over the 2016-2020 period and an additional \$58 billion after 2020. The Congress appropriated about \$23 billion in fiscal year 2015 for activities similar to those that would be authorized in this bill.

Title I: Improving the Academic Achievement of the Disadvantaged

Title I of S. 1177 would amend title I of the current ESEA and authorize grants for school districts with high proportions of low-income students, as well as funding for the children of migrant workers and other at-risk children. The bill also would authorize the appropriation of funds for states to develop and administer student assessments. CBO estimates those authorizations would total \$82.7 billion over the 2016-2020 period and that implementing title I would cost \$61.5 billion over that same period, subject to appropriation of the estimated amounts.

Specifically, the funding authorized by title I would support programs in four new parts:

- **Part A, Improving Basic Programs Operated by Local Educational Agencies.** S. 1177 would amend provisions governing title I grants to local educational agencies and reauthorize funding for those grants. The bill also would reauthorize funding to identify and support schools in meeting state academic standards. CBO estimates that the bill would authorize \$15.1 billion in 2016 for grants in part A; the Congress appropriated \$14.9 billion for similar activities in fiscal year 2015. Implementing those provisions would cost \$58.3 billion over the 2016-2020 period, CBO estimates.
- **Part B, Academic Assessments.** The bill would reauthorize programs for grants to states to develop and administer assessments of student achievement. CBO estimates that the bill would authorize about \$385 million in 2016 for those activities; the Congress appropriated almost \$380 million for similar activities in fiscal year 2015. Implementing that provision would cost \$1.5 billion over the 2016-2020 period, CBO estimates.
- **Part C, Education of Migratory Children.** Part C would make changes to programs that support the education of children of migrant workers. CBO estimates that the bill would authorize the appropriation of \$380 million in 2016 for part D; the Congress appropriated \$375 million for similar activities in fiscal year 2015. Implementing that provision would cost \$1.5 billion over the 2016-2020 period, CBO estimates.
- **Part D, Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or At-Risk.** S. 1177 would reauthorize programs that support the education of delinquent and at-risk children. CBO estimates that this part would authorize the appropriation of about \$50 million for fiscal year 2016 for part D; the Congress appropriated a similar amount for at-risk children for fiscal year 2015. Implementing that provision would cost almost \$190 million over the 2016-2020 period, CBO estimates.

Title II: Preparing, Training, and Recruiting High-Quality Teachers, Principals, and Other School Leaders

Title II would authorize appropriations for a range of grant programs, the largest of which would support teacher and principal training, retention, and compensation. CBO estimates that those authorizations would total \$15.5 billion in over the 2016-2020 period; implementing title II would cost \$10.8 billion over that same period, assuming appropriation of the estimated amounts.

Specifically, the funding authorized by title II would support programs in five new parts:

- **Part A, Fund for the Improvement of Teaching and Learning.** S. 1177 would amend provisions for grants to improve the effectiveness of teachers, principals, and other school staff. CBO estimates that the bill would authorize about \$2.4 billion in 2016 for those grants; the Congress appropriated \$2.3 billion for state grants to improve teacher quality under title II of the ESEA in fiscal year 2015. Implementing that provision would cost \$8.6 billion over the 2016-2020 period, CBO estimates.
- **Part B, Teacher and School Leader Incentive Fund.** The bill would reauthorize grants to develop, implement, expand, and study performance-based compensation systems for teachers, principals, and other school staff. CBO estimates that the bill would authorize about \$230 million in 2016 for those activities; the Congress appropriated about the same amount for the Teacher Incentive Fund in fiscal year 2015 to support similar activities. Implementing that provision would cost about \$850 million over the 2016-2020 period, CBO estimates.
- **Part C, American History and Civics Education.** This part would amend and reauthorize grants to improve the teaching of American history and civics. Based on the most recent appropriation for those programs (fiscal years 2010 and 2011), CBO estimates that the bill would authorize the appropriation of about \$50 million in 2016. Implementing that provision would cost about \$180 million over the 2016-2020 period, CBO estimates.
- **Part D, Literacy Education for All, Results for the Nation.** The bill would authorize grants to improve reading and literacy instruction from early education through secondary school, similar to activities supported by the Striving Readers Program. CBO estimates that this part would authorize the appropriation of about \$160 million for fiscal year 2016; for fiscal year 2015, the Congress appropriated a similar amount for the Striving Readers Program. Implementing that provision would cost about \$590 million over the 2016-2020 period, CBO estimates.

- **Part E, Improving Science, Technology, Engineering, and Mathematics Instruction and Student Achievement.** Part E would authorize a new grant program to improve academic achievement in science, technology, engineering, and mathematics in elementary and secondary schools. Based on the funding provided for 2015 for the Math and Science Partnerships Program (about \$155 million), CBO estimates that the bill would authorize the appropriation of a similar amount in 2016. Implementing that provision would cost almost \$560 million over the 2016-2020 period, CBO estimates.

Title III: Language Instruction for Limited English Proficient and Immigrant Students

Title III would modify the programs that provide support for teaching the English language to recent immigrants and other nonnative speakers under title III of the ESEA. CBO estimates that the bill would authorize the appropriation of about \$750 million in 2016 and \$3.9 billion over the 2016-2020 period. Assuming appropriation of the estimated amounts, implementing this title would cost about \$2.7 billion over the same period, CBO estimates. The Congress appropriated roughly \$740 million for similar activities in fiscal year 2015.

Title IV: Safe and Healthy Students

Title IV of S. 1177 would authorize grants to improve students' safety, physical and mental well-being, and academic achievement after the school day. CBO estimates that authorizations in that title would total \$8.1 billion over the 2016-2020 period. Assuming the appropriation of the estimated amounts, implementing those provisions would cost \$5.6 billion over the same period, CBO estimates.

Title IV would authorize funding in four parts:

- **Part A, Grants to States and Local Educational Agencies.** This part would authorize grants to states and school districts to improve students' safety and health and to improve academic achievement after the school day. Based on the most recent funding level for state grants for safe and drug-free schools and communities (fiscal year 2009), CBO estimates that the bill would authorize the appropriation of \$300 million in 2016; for fiscal year 2015, the Congress appropriated \$70 million to support national activities for safe and drug-free schools and communities but provided no funding for grants to states. Implementing those grants would cost \$1.1 billion over the 2016-2020 period, CBO estimates.

- **Part B, 21st Century Community Learning Centers.** Part B would reauthorize the 21st Century Community Learning Centers Program, which provides grants to provide academic enrichment during periods when school is not in session. CBO estimates that the bill would authorize the appropriation of \$1.2 billion in 2016 for those purposes; the Congress appropriated a similar amount for this program in 2015. Implementing this title would cost \$4.2 billion over the 2016-2020 period, CBO estimates.
- **Part C, Elementary School and Secondary School Counseling Programs.** This part would reauthorize grants to establish or expand counseling programs for students in elementary and secondary schools. CBO estimates that the bill would authorize the appropriation of about \$50 million in 2016; the Congress appropriated a similar amount for elementary and secondary school counseling in 2015. Implementing those programs would cost about \$180 million over the 2016-2020 period.
- **Part D, Physical Education Program.** Part D would reauthorize grants to initiate, expand, and improve physical education programs for elementary and secondary school students. CBO estimates that part D would authorize the appropriation of about \$45 million in 2016 for this program; the Congress appropriated a similar amount for those activities in 2015. Implementing that program would cost about \$160 million over the 2016-2020 period.

Title V: Empowering Parents and Expanding Opportunity Through Innovation

Title V would authorize appropriations to support a range of grants, including those for charter and magnet school programs, education technology, and preschool education. CBO estimates title V would authorize the appropriation of \$4.9 billion over the 2016-2020 period. Assuming the appropriation of the estimated amounts, CBO estimates that implementing those provisions would cost \$3.4 billion over the same period.

Specifically, the title would authorize the following activities in the following parts:

- **Part A, Public Charter Schools.** The bill would authorize grants for charter schools, similar to activities previously authorized in the Charter School Program and the Credit Enhancement for Charter School Initiatives. CBO estimates that part A would authorize the appropriation of about \$255 million for fiscal year 2016; in 2015, the Congress appropriated a similar amount for charter schools. Implementing that provision would cost about \$925 million over the 2016-2020 period, CBO estimates.

- **Part B, Magnet School Assistance.** This part would modify the Magnet School Program, and CBO estimates it would authorize the appropriation of about \$95 million for fiscal year 2016; the Congress appropriated a similar amount for magnet schools in 2015. Implementing that provision would cost about \$335 million over the 2016-2020 period, CBO estimates.
- **Part C, Supporting High-Ability Learners and Learning.** The bill would amend and reauthorize the Gifted and Talented Students Program, which is designed to enhance educational opportunities for gifted and talented students. CBO estimates that the bill would authorize the appropriation of \$10 million in 2016 for part C; the Congress appropriated the same amount for those activities in fiscal year 2015. Implementing that provision would cost about \$35 million over the 2016-2020 period, CBO estimates.
- **Part D, Education Innovation and Research.** The bill would authorize grants to develop, implement, and test programs that improve student achievement and attainment, similar to those activities supported by the Investing in Innovation Program authorized by the American Recovery and Reinvestment Act. CBO estimates that the bill would authorize the appropriation of about \$120 million for fiscal years 2016 for this program; the Congress appropriated a similar amount for grants for Investing in Innovation in 2015. Implementing that provision would cost \$440 million over the 2016-2020 period, CBO estimates.
- **Part E, Accelerated Learning.** S. 1177 would authorize a grant program to improve academic achievement through accelerated learning programs, such as Advanced Placement and International Baccalaureate programs. CBO estimates that the bill would authorize the appropriation of about \$30 million in 2016 for part E; the Congress appropriated a similar amount for the Advanced Placement Program in 2015. Implementing that provision would cost about \$100 million over the 2016-2020 period, CBO estimates.
- **Part F, Ready-to-Learn Television.** This part would reauthorize the Ready-to-Learn Television Program, which supports the development of educational television and digital media for preschool and elementary school children. CBO estimates the bill would authorize the appropriation of about \$25 million in 2016 for the Ready-to-Learn Program; the Congress appropriated a similar amount for the Ready-to-Learn Program in fiscal year 2015. Implementing that provision would cost almost \$100 million over the 2016-2020 period, CBO estimates.
- **Part G, Innovative Technology Expands Children’s Horizons (I-TECH).** S. 1177 would authorize a new grant program to expand access to and improve students’ and educators’ knowledge and skills with technology. Based on the most

recent funding level for the Enhancing Education Through Technology State Grant Program (fiscal year 2010), CBO estimates that this part would authorize the appropriation of about \$100 million for fiscal years 2016. Implementing this provision would cost about \$360 million over the 2016-2020 period, CBO estimates.

- **Part H, Literacy and Arts Education.** Part H would authorize funding for grants to support arts education for disadvantaged students and those with disabilities and to support literacy programs for low-income communities. Based on funding for two similar programs, CBO estimates that the bill would authorize the appropriation of about \$50 million for fiscal years 2016 for these activities; for fiscal year 2015, the Congress appropriated \$25 million for each of the Arts in Education and the Innovative Approaches to Literacy programs. Implementing that provision would cost about \$185 million over the 2016-2020 period, CBO estimates.
- **Part I, Early Learning Alignment and Improvement Grants.** The bill would authorize grants to improve and expand early childhood education. Based on funding for Preschool Development Grants, CBO estimates that the bill would authorize the appropriation of about \$255 million for fiscal years 2016 for early childhood education; the Congress appropriated \$250 million for Preschool Development Grants in 2015 to support similar activities. Implementing those grants would cost about \$915 million over the 2016-2020 period, CBO estimates.

Title VI: Flexibility and Accountability

Title VI would modify and reauthorize the rural education achievement programs, which provide grants to assist rural school districts in improving teaching and learning outcomes. CBO estimates that the bill would authorize the appropriation of about \$170 million in 2016 and about \$900 million over the 2016-2020 period for those programs. Assuming appropriation of the estimated amounts, implementing that title would cost about \$620 million over the same period, CBO estimates. The Congress appropriated about \$170 million for similar activities for rural school districts in fiscal year 2015.

Title VII: Indian, Native Hawaiian, and Alaska Native and Education

S. 1177 would reauthorize and modify grant programs for American Indians, Alaska Natives, and Native Hawaiians and authorize the appropriation of funds for a new program for Native American and Alaska Native language immersion schools and programs. CBO estimates that the bill would authorize the appropriation of about \$200 million for fiscal year 2016 and \$1.0 billion over the 2016-2020 period for title VII. Assuming appropriation of the estimated amounts, implementing that title would cost

about \$775 million over the same period, CBO estimates. Of that total, about \$500 million would be spent on education programs for American Indians, about \$125 million would be spent for each of the programs for Alaska Natives and Native Hawaiians, and about \$30 million would be spent on language immersion schools. The Congress appropriated about \$190 million for those programs in fiscal year 2015.

Title VIII: Impact Aid

Title VIII of the bill would amend the impact aid programs that provide funding to assist local education agencies (LEAs) affected by the activities of the federal government, such as those on a military base or Indian reservation. CBO estimates that the bill would authorize the appropriation of \$1.3 billion in fiscal year 2016 and \$6.8 billion over the 2016-2020 period for impact aid. Assuming the appropriation of the estimated amounts, CBO estimates that implementing that title would result in discretionary costs of \$6.5 billion over the same period. The bulk of that spending (about \$6.1 billion), would be for basic support payments to LEAs to assist in the education of children in areas affected by federal activities. The other \$400 million would be used to construct and maintain schools that educate children in such areas. The Congress appropriated almost \$1.3 billion for impact aid in 2015.

Title IX: General Provisions

Title IX would authorize assessments of the effectiveness of grants to schools with high enrollments of low-income students authorized in title I. CBO estimates that the bill would authorize the appropriation of less than \$1 million for each of fiscal years 2016 through 2020 for those activities; available funding for evaluations under title I totaled less than \$1 million in fiscal year 2015. Implementing that provision would cost about \$3 million over the 2016-2020 period, assuming the availability of the necessary amounts.

Title X: Education for Homeless Children and Youths

Title X would reauthorize the McKinney-Vento Homeless Assistance Act, which authorizes grants to states to assist in the education of homeless children. CBO estimates that the bill would authorize the appropriation of about \$65 million in 2016 and about \$345 million over the 2016-2020 period for this assistance; the Congress appropriated a similar amount for the education of homeless children in fiscal year 2015. Implementing this title would cost about \$240 million over the 2016-2020 period, assuming appropriation of the estimated amounts.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no intergovernmental or private-sector mandates as defined in UMRA. State, local, and tribal governments would benefit from grants authorized in the bill for elementary and secondary education. Any costs associated with the grants would be incurred voluntarily as a result of complying with conditions of federal assistance.

PREVIOUS CBO ESTIMATES

On February 18, 2015, CBO transmitted a cost estimate for H.R. 5, the Student Success Act, as ordered reported by the House Committee on Education and the Workforce on February 11, 2015. CBO estimates that enacting H.R. 5 would authorize the appropriation of \$23.3 billion for fiscal year 2016 and \$116.5 billion over the 2016-2020 period and that implementing the bill would cost \$87.7 billion over the same period.

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