



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

August 1, 2018

S. 3217
Strengthening Career and Technical Education for the 21st Century Act

*As reported by the Senate Committee on Health, Education, Labor, and Pensions
on July 16, 2018*

SUMMARY

S. 3217 would amend the Carl D. Perkins Career and Technical Education Act of 2006 and reauthorize secondary and postsecondary career and technical education (CTE) programs through fiscal year 2024. The bill would authorize the appropriation of \$6.4 billion over the 2019-2023 period, and an additional \$1.3 billion in 2024. Under the General Education Provisions Act, those authorizations would be extended automatically for an additional year through 2025.

CBO estimates that implementing S. 3217 would cost \$4.7 billion over the 2019-2023 period, and \$4.3 billion after 2023, assuming appropriation of the authorized amounts.

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

CBO estimates that enacting S. 3217 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

S. 3217 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 effect of S. 3217 is shown in the following table. The costs of the legislation fall within budget function 500 (education, training, employment, and social services).

	By Fiscal Year, in Millions of Dollars						2018- 2023
	2018	2019	2020	2021	2022	2023	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Authorization Level	0	1,247	1,264	1,282	1,300	1,318	6,412
Estimated Outlays	0	37	936	1,198	1,277	1,295	4,744

Components do not sum to totals due to rounding.

Some programs have received advance appropriations for fiscal year 2019; those amounts are not reflected in this table. Instead, the table shows the additional appropriations that would be authorized for 2019.

BASIS OF ESTIMATE

CBO assumes that S. 3217 will be enacted near the end of fiscal year 2018. The bill would authorize specific amounts through 2024 and, under the General Education Provisions Act, those authorizations would be extended automatically for an additional year, through fiscal year 2025. Based on historical spending patterns of the current program, and assuming appropriation of the authorized amounts, CBO estimates that implementing the bill would cost \$4.7 billion over the 2019-2023 period and an additional \$4.3 billion in years after 2023.

S. 3217 would:

- Authorize the appropriation of specific amounts each year that increase from about \$1.2 billion in 2019 to \$1.3 billion in 2024 for grants to states for vocational programs. The bill would provide states with more flexibility in the uses of funds, adjust state allotment formulas, and amend accountability standards for CTE programs. In 2018, the Congress provided \$1.2 billion for those grants.
- Authorize the appropriation of \$8 million for each of the fiscal years 2019 through 2024 for the Secretary to award grants to create and support CTE programs. The bill also would require the Secretary of Education to consult with the Director of the Institute for Education Sciences for an evaluation of career and technical education activities. In 2018, \$7 million was available for similar activities.
- Authorize the appropriation of \$10 million each year from 2019 through 2024 for tribally controlled CTE programs. In 2018, \$9 million was available for this purpose.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting S. 3217 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

MANDATES

S. 3217 contains no intergovernmental or private-sector mandates as defined in UMRA.

PREVIOUS CBO ESTIMATE

On June 5, 2017, CBO transmitted a cost estimate of H.R. 2353, Strengthening Career and Technical Education for the 21st Century Act, as ordered reported by the House Committee on Education and the Workforce on May 17, 2017. The two pieces of legislation contain similar provisions and both would reauthorize CTE programs for six years. The differences in CBO's estimates of the costs of the two pieces of legislation stem from differences in the specified authorization levels and the fiscal years for which the bills would authorize appropriations.

ESTIMATE PREPARED BY

Federal Costs: Leah Koestner
Mandates: Zachary Byrum

ESTIMATE REVIEWED BY

Sheila Dacey
Chief, Income Security and Education Cost Estimates Unit

H. Samuel Papenfuss
Deputy Assistant Director for Budget Analysis