



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 18, 2014

H.R. 10 **Success and Opportunity through Quality Charter Schools Act**

*As ordered reported by the House Committee on Education and the Workforce
on April 8, 2014*

H.R. 10 would amend and reauthorize both the Charter School Programs and the Credit Enhancement for Charter School Initiatives under Title V of the Elementary and Secondary Education Act of 1965 through fiscal year 2020 and combine them into a single authorization. (This authorization would automatically be extended one year through 2021 under the General Education Provisions Act.) The bill would authorize the appropriation of \$300 million for each of fiscal years 2015 through 2021 for grants to states to develop and expand charter school facilities and to public and private nonprofit entities to develop means of enhancing credit to finance the construction and renovation of charter schools.

For fiscal year 2014, the Congress appropriated about \$250 million for Charter School Programs, but provided no funding for Credit Enhancement Initiatives. The previous authorization for Charter School Programs expired in 2008 and the previous authorization for Credit Enhancement for Charter School Initiatives expired in 2004.¹

As shown in the following table, CBO estimates that implementing the bill would cost \$1.0 billion over the 2015-2019 period, assuming appropriation of the authorized amounts. 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.

Enacting the bill would have no impact on direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 10 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

1. For Charter School Programs, prior law authorized the appropriation of \$300 million for fiscal year 2002 and such sums as might be necessary through fiscal year 2008. For Credit Enhancement for Charter School Initiatives, prior law authorized the appropriation of \$150 million for fiscal year 2002 and such sums as might be necessary through fiscal year 2004.

	By Fiscal Year, in Millions of Dollars					2015- 2019
	2015	2016	2017	2018	2019	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	300	300	300	300	300	1,500
Estimated Outlays	15	150	255	300	300	1,020

The CBO staff contact for this estimate is Justin Humphrey. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.