

At a Glance

Reconciliation Recommendations of the House Committee on Education and Labor

As ordered reported on February 9, 2021

By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	22,849	280,073	293,784
Revenues	-11,986	-1,261	3,786
Increase or Decrease (-) in the Deficit	34,835	281,334	289,998

Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any year after 2030?	Yes	Contains intergovernmental mandate?	Yes, Over Threshold
		Contains private-sector mandate?	Yes, Over Threshold

CBO has not completed a review of the legislation for effects on spending subject to appropriation.

The legislation would

- Appropriate funds for education-related programs, labor-related programs, child care, human services and community support programs, and nutrition programs
- Increase the federal minimum wage to \$15 per hour by 2025, which would affect the federal budget and impose intergovernmental and private-sector mandates
- Expand eligibility for federally funded workers' compensation benefits to certain federal employees and maritime workers affected by the coronavirus
- Subsidize premiums for coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) at 85 percent for people enrolled in that coverage through September 2021

Estimated budgetary effects would mainly stem from

- Increased federal spending on education and child care programs
- Increased federal spending resulting from changes in employment, prices, and the distribution of income caused by a higher minimum wage
- Federal subsidies for COBRA premiums

Areas of significant uncertainty include

- Projecting the rate at which various entities would spend new budget authority
- Projecting the duration of school closures related to the coronavirus pandemic
- Estimating the behavior of businesses and individuals in response to a higher minimum wage and how those responses would affect federal spending and revenues

Detailed estimate begins on the next page.

Legislation Summary

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of the reconciliation process, the House Committee on Education and Labor approved legislation on February 9, 2021, that contains provisions that CBO estimates would, on net, increase deficits over that period by \$281.3 billion.

The legislation would appropriate specified amounts totaling \$220.1 billion for education-related programs, labor-related programs, child care, human services and community support programs, and nutrition programs.

The reconciliation recommendations also would make the following changes:

- Modify the 90/10 rule for proprietary postsecondary education institutions to include all federal education benefits in the formula for aid eligibility (a decrease in direct spending of \$124 million over the 2021-2030 period);
- Amend the Fair Labor Standards Act (FLSA) to increase the federal minimum wage to \$15 per hour by 2025 (an increase in direct spending of \$60.1 billion and an increase in revenues of \$14.7 billion over the 2021-2030 period);
- Expand eligibility for federally funded workers' compensation benefits to federal employees and maritime workers affected by the coronavirus (an increase in direct spending of \$103 million and \$224 million, respectively, over the 2021-2030 period);
- Expand eligibility for certain nutrition programs (an increase in direct spending of \$5.74 billion over the 2021-2030 period); and
- Provide a subsidy, in the form of a tax credit, for 85 percent of premiums for continuation coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA) to people enrolled in such coverage from the first of the month following the date of enactment through September 30, 2021 (an increase in the deficit of \$9.9 billion over the 2021-2030 period).

Estimated Federal Cost

The estimated budgetary effect of the Committee's reconciliation recommendations is shown in Table 1. The changes in outlays from the legislation fall within budget functions 370 (commerce and housing credit), 400 (transportation), 500 (education, training, employment, and social services), 550 (health), 570 (Medicare), 600 (income security), 650 (Social Security), and 700 (veterans benefits and services).

Basis of Estimate

For this estimate, CBO assumes that the reconciliation legislation will be enacted at the end of March 2021. Outlay estimates are based on historical spending patterns for affected programs and on information from affected agencies about implementation.

Direct Spending and Revenues

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting the Committee's reconciliation recommendations would increase direct spending by \$280.1 billion and reduce federal revenues by \$1.3 billion over the 2021-2030 period, for a net effect on the deficit of \$281.3 billion.

Subtitle A: Education Matters. Subtitle A would appropriate \$170.6 billion mostly for education grants to respond to the coronavirus pandemic; the legislation also would amend the 90/10 rule, which would reduce spending by about \$0.1 billion. Thus, CBO estimates that enacting subtitle A would cost \$170.5 billion over the 2021-2030 period.

Part 1—Department of Education. The legislation would appropriate \$170.1 billion for the Department of Education mostly to make grants to states, local education agencies, and postsecondary education institutions, which would result in outlays totaling \$170.1 billion over the 2021-2030 period, CBO estimates. The Congress previously provided nearly \$31 billion for education stabilization in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted on March 27, 2020, and another \$82 billion for this purpose in the Consolidated Appropriations Act, 2021, enacted on December 27, 2020. Because most of those funds remain to be spent, CBO anticipates that the bulk of spending of funds provided in the reconciliation recommendations would occur after 2021. Specifically, the legislation would appropriate:

- \$128.6 billion for the Elementary and Secondary School Emergency Relief Fund for preparation for, prevention of, and response to the coronavirus pandemic or for other uses allowed by other federal education programs;
- \$39.6 billion to the Higher Education Emergency Relief Fund to provide grants to students or to defray institutional expenses related to the pandemic; and
- \$2.0 billion for other education programs, including \$850 million for the Bureau of Indian Education, \$850 million for Outlying Areas (American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands), \$100 million for the Institute of Education Sciences, and \$91 million for student aid administration.

Section 2013 would modify the 90/10 rule, under which proprietary institutions that receive more than 90 percent of their overall revenue from student aid programs authorized under title IV of the Higher Education Act (including Pell grants and federal student loans) are

ineligible to participate in the federal aid programs. The legislation would expand the definition of federal aid to include additional non-title-IV programs, such as veterans' education benefits. CBO expects that amending the 90/10 rule would reduce the number of students enrolled in proprietary schools, resulting in an estimated savings of \$124 million over the 2021-2030 period. Those savings would stem from a reduction in mandatory spending for Pell grants (\$78 million), student loans (\$25 million), and veterans' education benefits (\$21 million).

Part 2—Miscellaneous. The legislation would appropriate \$480 million for grants to fund activities related to the arts, humanities, libraries and museums, and Native American language preservation and maintenance. CBO estimates outlays for those activities would total \$479 million over the 2021-2030 period.

Subtitle B: Labor Matters. Subtitle B would increase the federal minimum wage, provide funding to the Department of Labor (DOL) for activities to help protect workers from contracting COVID-19 (the disease caused by the coronavirus), and expand the eligibility of federal employees and maritime workers who contract COVID-19 for federally funded workers' compensation benefits. CBO estimates that enacting subtitle B would increase outlays by \$60.6 billion over the 2021-2030 period.

Raising the Federal Minimum Wage. Section 2101 would amend the FLSA to increase the federal minimum wage in annual increments from \$7.25 per hour to \$15 per hour in 2025 (shortly after enactment, the minimum wage would be \$9.50 per hour). After 2025, the minimum wage would rise by the annual percentage increase, if any, in the median hourly wage of all employees. The legislation also would repeal the separate minimum wage for tipped workers, teenagers, and disabled workers.

CBO estimates that enacting the higher minimum wage would increase the cumulative budget deficit by \$45.4 billion over the 2021-2030 period (and by \$54.1 billion over the 2021-2031 period). The \$45.4 billion increase over the 2021-2030 period is the net effect of a \$60.1 billion increase in direct spending and a \$14.7 billion increase in revenues. (This provision would affect both on- and off-budget spending and revenues. The increase in the on-budget deficit would be \$66.7 billion over the 2021-2030 period, CBO estimates, consisting of a \$48.8 billion increase in on-budget mandatory spending and a reduction in on-budget revenues of \$17.9 billion.)¹

Increasing the minimum wage would induce a number of behaviors among businesses and people that would result in changes in prices, the distribution of income, employment, and

1. Off-budget effects are designated by law as excluded from budget totals. The revenues and outlays of the two Social Security trust funds (the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund) and the transactions of the Postal Service are off-budget.

other economic factors, CBO estimates.² Those changes in turn would produce budgetary effects in revenues and in a broad set of federal programs, including the major health care programs, unemployment compensation, Social Security, nutrition programs, student loans, and retirement programs.

CBO estimates that the higher wages of some workers would lead to higher prices for goods and services, which would contribute to increases in spending for some federal programs. For example, CBO estimates that higher prices for long-term services and supports and medical services would increase costs to Medicaid. Changes in employment and in the distribution of income would increase spending for some programs (such as unemployment compensation) and reduce spending for others (such as nutrition programs).

Changes in employment and the distribution of income also would affect revenues. On net, revenues would increase under the provision, but those changes would result from a number of factors that worked in opposite directions. Revenues from payroll taxes for Social Security (which are categorized as off-budget) would increase. Other revenues would decline, on net, in part because income would shift toward lower-income people and away from higher-income people under the legislation, and lower-income people face lower tax rates, on average, than higher-income people do.

The basis of this estimate is described in significantly greater detail in CBO's analysis of the budgetary effects of S. 53, the Raise the Wage Act of 2021, published on February 8, 2021.³

Other Provisions. Sections 2102–2104 would make additional changes to labor programs; CBO estimates enacting those sections would increase outlays by \$477 million over the 2021-2030 period.

Section 2102 would provide \$150 million to DOL for activities to help protect workers from contracting COVID-19. Much of the funding would be spent by the Occupational Safety and Health Administration on enforcement of workplace safety standards.

Section 2103 would expand through 2030 the number of federal employees with COVID-19 who are eligible for medical, wage replacement, and death benefits under the Federal Employees' Compensation Act (FECA), under an assumption that those workers had contracted the illness on the job. FECA benefits are treated as direct spending; however, employing agencies ultimately bear the cost of federal workers' compensation claims.

2. Consistent with CBO's conventional approach to estimating the costs of legislation, these estimates incorporate the assumption that nominal gross domestic product would be unchanged. As a result, total income is roughly unchanged. Even so, the set of effects incorporated in this estimate is more extensive than the set incorporated in most cost estimates. That is because the effects on economic behavior that would affect the federal budget would be broader for increases in the minimum wage than for most policies that CBO examines.

3. See Congressional Budget Office, *The Budgetary Effects of the Raise the Wage Act of 2021* (February 2021), www.cbo.gov/publication/56975.

Because FECA costs are charged back to a claimant's employing agency by DOL, the ultimate costs are borne by those agencies' accounts for salaries and expenses. CBO estimates enacting this provision would cost \$103 million over the 2021-2030 period.

Section 2104 would establish the presumption that maritime workers with COVID-19 have contracted the illness on the job, making them eligible for medical, wage replacement, and death benefits under the Longshore and Harbor Workers' Compensation Act. Employers or the employers' insurance carriers would be reimbursed for the cost of those benefits through the end of fiscal year 2030. CBO estimates enacting this provision would increase outlays by \$224 million over the 2021-2030 period.

Subtitle C: Human Services and Community Supports. Subtitle C would appropriate \$48.4 billion for child care and other human service and community support programs, which CBO estimates would result in outlays of \$48.4 billion over the 2021-2030 period. Specifically, the legislation would appropriate the following amounts:

- \$276 million for programs authorized by the Elder Justice Act;
- \$1.4 billion for programs authorized by the Older Americans Act;
- \$39.0 billion for the Child Care and Development Block Grant program (including \$24.0 billion for the new Child Care Stabilization Fund to provide assistance to providers);
- \$1.0 billion for Head Start;
- \$450 million for programs authorized by the Family Violence Prevention and Services Act and other programs to support survivors of sexual assault and domestic violence;
- \$350 million for programs authorized by the Child Abuse Prevention and Treatment Act;
- \$4.5 billion for the Low Income Home Energy Assistance Program;
- \$425 million for the Department of Health and Human Services to allow for pandemic-related cost increases in programs of the Administration for Children and Families that provide direct services to children, which CBO interprets as funding that would support care provided by the Office of Refugee Resettlement to unaccompanied alien children; and
- \$1.0 billion for the Corporation for National and Community Service, primarily to make new grants to community service programs and to increase the living allowances of AmeriCorps volunteers.

Subtitle D: Child Nutrition and Related Programs. Subtitle D would amend and provide funds for nutrition programs; CBO estimates enacting subtitle D would increase outlays by \$6.6 billion over the 2021-2030 period.

Sections 2301 and 2302 would appropriate \$490 million to fund an increase in certain benefits under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and an additional \$390 million for activities to increase participation in WIC. Enacting those provisions would cost \$880 million over the 2021-2030 period, CBO estimates.

Section 2303 would raise the age of eligibility from 18 to 25 for the Child and Adult Care Food Program at emergency homeless shelters for the duration of the public health emergency, which CBO estimates will end in July 2022. CBO estimates that enacting this provision would cost \$180 million over the 2021-2030 period.

Section 2304 would expand the Pandemic Electronic Benefit Transfer (P-EBT) program by providing benefits in the summer months after a period during which schools are closed for at least five consecutive days, and expand eligibility to children under the age of 6 in households that receive Nutrition Assistance Program benefits in Puerto Rico, the Commonwealth of the North Mariana Islands, and American Samoa. CBO estimates that enacting this provision would cost \$5.6 billion over the 2021-2030 period. Section 2304 would also extend P-EBT for the duration of the public health emergency. However, CBO anticipates that all schools will return to in-person instruction for school year 2021-2022, so CBO estimates that the extension would result in an insignificant cost in 2022.

Subtitle E: COBRA Continuation Coverage. Under current law, people who lose their job or experience another qualifying event that results in a termination of their employment-based health insurance are eligible to continue health insurance coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA). If an individual chooses to enroll in COBRA coverage, he or she may be required to pay up to 102 percent of the total premium and can maintain the coverage for 18 months. Under section 2401, qualifying COBRA enrollees would be required to pay 15 percent of the total COBRA premium from the first of the month following the date of enactment through September 30, 2021. The federal government would provide a subsidy on behalf of the individual for the remainder. People would be eligible for premiums to be paid on their behalf if they are enrolled in, or are eligible to enroll in, COBRA coverage because of an involuntary termination or reduction of hours at the time of enactment. Section 2401 would permit eligible people who did not previously elect COBRA coverage and eligible people who discontinued COBRA coverage prior to enactment to enroll within 60 days of being notified about the availability of these subsidies.

CBO and JCT estimate that enacting section 2401 would increase federal deficits by \$9.9 billion over the 2021-2030 period. That increase in deficits would consist of a decrease in direct spending of \$6.1 billion and a decrease in revenues of \$16.0 billion over the period. Those effects would primarily stem from federal subsidies for COBRA premiums, partially offset by a reduction in federal subsidies for other sources of health insurance coverage.

Under current law, CBO and JCT project that about 1.3 million people would be enrolled in COBRA coverage on a full-year equivalent basis (FYE), representing less than 10 percent of the eligible population. The estimated take-up of COBRA coverage is low because premiums are not typically subsidized by employers as they are when people are actively employed. The remaining estimated 11.4 million eligible people who do not enroll in COBRA coverage would enroll in another form of insurance coverage or be uninsured.

In response to the availability of those subsidies, CBO and JCT estimate that an additional 2.2 million people, on a FYE basis, would enroll in COBRA coverage, resulting in a total of about 3.5 million FYE COBRA enrollees in 2021. In total, the agencies estimate that subsidies for COBRA—for existing and new enrollees—would increase deficits by \$16.3 billion over the 2021-2030 period.

CBO and JCT estimate there would be offsetting effects as people who would newly enroll in COBRA coverage would no longer enroll in other sources of health insurance coverage that are subsidized by the federal government. Of the 2.2 million FYEs that CBO and JCT estimate would newly enroll in COBRA coverage, an estimated 1.1 million would have otherwise been enrolled in Medicaid or CHIP and about 600,000 would have forgone insurance coverage and been uninsured. About 200,000 FYEs would otherwise have enrolled in subsidized nongroup coverage and about 100,000 would have enrolled in nongroup coverage without subsidies. The remainder, about 200,000, would have been enrolled in employment-based coverage. CBO and JCT estimate that those changes in health insurance coverage would offset the cost of the new COBRA subsidy by \$6.4 billion over the 2021-2030 period. On net, the COBRA provisions in the legislation would increase deficits by \$9.9 billion over the 2021-2030 period.

Uncertainty

The Committee's reconciliation recommendations would appropriate \$220 billion in budget authority to new and existing programs—a substantial increase in funding for those activities. For example, funding to help K-12 and higher education institutions respond to the coronavirus pandemic and funding for the Child Care and Development Block Grant program would increase significantly. As a result, CBO's estimates of the rate at which federal agencies, states, local education agencies, and other entities would spend those new funds are subject to considerable uncertainty, as is the question of whether those entities could spend the new funds within the allotted time.

CBO's estimates are subject to other significant areas of uncertainty:

- Projecting the behavior of businesses and individuals in response to a higher minimum wage and how those responses would affect federal spending and revenues;
- Anticipating effects among proprietary postsecondary education institutions in response to a change in the 90/10 rule; and

- Projecting the duration of school closures related to the coronavirus pandemic.

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 Table 1.

Increase in Long-Term Deficits

CBO estimates that enacting the Committee's reconciliation recommendations would increase on-budget deficits in every year after 2030. Those increases would total more than \$5 billion in each of the four consecutive 10-year periods beginning in 2031.

Mandates

The Committee's reconciliation recommendations would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) by requiring employers to pay a higher minimum wage to workers who are covered under the Fair Labor Standards Act. Among that group are workers who receive tips, teenage workers, and workers with disabilities. The legislation also would impose mandates by requiring group health insurance plans to provide notifications to beneficiaries related to continuation of coverage under COBRA.

CBO estimates that the aggregate additional amount paid to workers to meet the new minimum wage requirements would significantly exceed the thresholds established in UMRA for private-sector and intergovernmental entities in each year beginning in 2021 and 2022, respectively. In 2021, the intergovernmental threshold under UMRA is \$85 million and the private-sector threshold is \$170 million; both are adjusted annually for inflation.

CBO estimates that by 2025—when the minimum wage reaches \$15 per hour—state, local, and tribal employers would be required to pay covered workers approximately \$4 billion in additional wages annually. The additional annual cost to private-sector employers would be \$45 billion. Those amounts do not account for employers' possible responses to the higher minimum wage, which could include reducing hiring, altering the composition of the minimum-wage and non-minimum-wage workforce, or purchasing equipment that would substitute for workers.

If employers reduce hiring, CBO estimates that in 2025, public-sector employers would be required to pay covered workers \$3 billion in additional wages. The additional cost to private-sector employers in that year would be \$32.5 billion. CBO did not estimate the changes in costs to employers associated with other possible responses.

CBO estimated the cost of the mandates using monthly data from the Census Bureau's Current Population Survey to estimate the distribution of workers' hourly wages under

current law. In projecting hourly wages, CBO accounted for prospective increases in some states' minimum wage rates, including those coming into effect under current and future state law.

CBO then identified the subset of workers covered under the FLSA whose hourly wages, in CBO's projections, would fall below the schedule of minimum wages set by the legislation. For this analysis, CBO excluded workers who are not covered under the FLSA (including those in most small businesses and in occupations that generally are exempt from the FLSA) and workers whose estimated wages would be more than \$15 per hour in 2025.

Employers would be expected to incur additional costs to increase the wages of workers who are not directly covered under this legislation, but that increase would not result from the employers' compliance with the mandate.

The legislation also would impose a private-sector mandate by requiring group health insurance plans to include additional information about COBRA eligibility and premium assistance in notifications to beneficiaries. Because group plans routinely provide information to beneficiaries, CBO estimates that the additional cost of the mandate would be small.

Previous Estimate

This version replaces the estimate that was transmitted on February 15, 2021. In the previous version, the provision "Additional Funding for Aging and Disability Services Programs" showed \$188 million in budget authority in 2022 that should have been shown in 2021. This version corrects that mistake. There is no change in estimated outlays, revenues, or deficit effect in any year or over the 2021-2030 period.

Estimate Prepared By

Federal Costs:

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Table 1.
Estimated Budgetary Effects of Reconciliation Recommendations
As Ordered Reported by the House Committee on Education and Labor on February 9, 2021

Revised February 17, 2021

		By Fiscal Year, Millions of Dollars												
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-2030	2021-2031
Increases or Decreases (-) in Direct Spending														
Subtitle A. Education Matters														
Part 1 - Department of Education														
Sec.	2001 Elementary and Secondary School Emergency Relief Fund													
	Budget Authority	128,555	0	0	0	0	0	0	0	0	0	0	128,555	128,555
	Estimated Outlays	6,428	32,139	32,139	25,711	19,283	8,999	2,571	1,285	0	0	0	128,555	128,555
Sec.	2002 Higher Education Emergency Relief Fund													
	Budget Authority	39,585	0	0	0	0	0	0	0	0	0	0	39,585	39,585
	Estimated Outlays	5,938	13,855	5,938	5,938	3,958	1,979	1,583	396	0	0	0	39,585	39,585
Sec.	2004 Outlying Areas													
	Budget Authority	850	0	0	0	0	0	0	0	0	0	0	850	850
	Estimated Outlays	43	212	212	170	128	60	17	8	0	0	0	850	850
Sec.	2005 Bureau of Indian Education													
	Budget Authority	850	0	0	0	0	0	0	0	0	0	0	850	850
	Estimated Outlays	43	153	153	153	153	128	42	25	0	0	0	850	850
Sec.	2006 Gallaudet University													
	Budget Authority	19	0	0	0	0	0	0	0	0	0	0	19	19
	Estimated Outlays	1	8	7	3	0	0	0	0	0	0	0	19	19
Sec.	2007 Student Aid Administration													
	Budget Authority	91	0	0	0	0	0	0	0	0	0	0	91	91
	Estimated Outlays	9	39	25	9	9	0	0	0	0	0	0	91	91
Sec.	2008 Howard University													
	Budget Authority	35	0	0	0	0	0	0	0	0	0	0	35	35
	Estimated Outlays	2	15	13	5	0	0	0	0	0	0	0	35	35
Sec.	2009 National Technical Institute for the Deaf													
	Budget Authority	19	0	0	0	0	0	0	0	0	0	0	19	19
	Estimated Outlays	1	8	7	3	0	0	0	0	0	0	0	19	19
Sec.	2010 Institute of Education Sciences													
	Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
	Estimated Outlays	1	15	15	30	30	9	0	0	0	0	0	100	100
Sec.	2011 Program Administration													
	Budget Authority	15	0	0	0	0	0	0	0	0	0	0	15	15
	Estimated Outlays	1	3	6	3	2	0	0	0	0	0	0	15	15
Sec.	2012 Office of Inspector General													
	Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
	Estimated Outlays	*	1	2	1	1	0	0	0	0	0	0	5	5
Sec.	2013 Modification of Revenue Requirements for Proprietary Institutions of Higher Education													
	Estimated Budget Authority	0	-3	-10	-13	-16	-16	-17	-19	-19	-20	-20	-133	-153
	Estimated Outlays	0	-2	-6	-11	-15	-16	-17	-19	-19	-19	-20	-124	-144
Part 2 - Miscellaneous														
Sec.	2021 National Endowment for the Arts													
	Budget Authority	135	0	0	0	0	0	0	0	0	0	0	135	135
	Estimated Outlays	30	64	34	7	0	0	0	0	0	0	0	135	135
Sec.	2022 National Endowment for the Humanities													
	Budget Authority	135	0	0	0	0	0	0	0	0	0	0	135	135
	Estimated Outlays	30	64	34	7	0	0	0	0	0	0	0	135	135
Sec.	2023 Institute of Museum and Library Services													
	Budget Authority	200	0	0	0	0	0	0	0	0	0	0	200	200
	Estimated Outlays	16	102	62	13	6	0	0	0	0	0	0	199	199
Sec.	2024 COVID-19 Response Resources for the Preservation and Maintenance of Native American Languages													
	Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
	Estimated Outlays	*	8	2	0	0	0	0	0	0	0	0	10	10
Subtotal, Subtitle A														
	Estimated Budget Authority	170,604	-3	-10	-13	-16	-16	-17	-19	-19	-20	-20	170,471	170,451
	Estimated Outlays	12,543	46,684	38,643	32,042	23,555	11,159	4,196	1,695	-19	-19	-20	170,479	170,459
Subtitle B. Labor Matters														
Sec.	2101 Raising the Federal Minimum Wage ^{a,b}													
	Estimated Budget Authority	-593	1,964	2,907	3,710	4,989	6,483	8,194	8,555	8,457	10,030	12,691	54,696	67,387
	Estimated Outlays	-593	2,070	3,113	4,144	5,615	7,115	8,890	9,412	9,367	11,005	13,732	60,138	73,869
	<i>Estimated Budget Authority - On-budget</i>	-593	1,958	2,873	3,504	4,364	5,305	6,597	6,515	5,933	6,922	8,850	43,378	52,228
	<i>Estimated Outlays - On-budget</i>	-593	2,064	3,079	3,938	4,990	5,937	7,293	7,372	6,843	7,897	9,891	48,820	58,710
	<i>Estimated Budget Authority - Off-budget</i>	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159
	<i>Estimated Outlays - Off-budget</i>	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159
Sec.	2102 Funding for Department of Labor Worker Protection Activities													
	Budget Authority	150	0	0	0	0	0	0	0	0	0	0	150	150
	Estimated Outlays	97	36	9	6	2	0	0	0	0	0	0	150	150

Table 1.
Estimated Budgetary Effects of Reconciliation Recommendations
As Ordered Reported by the House Committee on Education and Labor on February 9, 2021

		By Fiscal Year, Millions of Dollars												
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-2030	2021-2031
Increases or Decreases (-) in Direct Spending														
Sec.	2103 Eligibility for Workers' Compensation Benefits for Federal Employees Diagnosed with COVID-19													
	Estimated Budget Authority	37	17	11	8	6	6	5	5	4	4	0	103	103
	Estimated Outlays	37	17	11	8	6	6	5	5	4	4	0	103	103
Sec.	2104 Compensation Pursuant to the Longshore and Harbor Workers' Compensation Act													
	Estimated Budget Authority	120	65	7	6	5	5	4	4	4	4	0	224	224
	Estimated Outlays	120	65	7	6	5	5	4	4	4	4	0	224	224
Subtotal, Subtitle B														
	Estimated Budget Authority	-286	2,046	2,925	3,724	5,000	6,494	8,203	8,564	8,465	10,038	12,691	55,173	67,864
	Estimated Outlays	-339	2,188	3,140	4,164	5,628	7,126	8,899	9,421	9,375	11,013	13,732	60,615	74,346
Subtitle C. Human Services and Community Supports														
Sec.	2201 Additional Funding for Aging and Disability Services Programs													
	Budget Authority	276	0	0	0	0	0	0	0	0	0	0	276	276
	Estimated Outlays	40	120	88	28	0	0	0	0	0	0	0	276	276
Sec.	2202 Supporting Older Americans and Their Families													
	Budget Authority	1,444	0	0	0	0	0	0	0	0	0	0	1,444	1,444
	Estimated Outlays	745	617	82	0	0	0	0	0	0	0	0	1,444	1,444
Sec.	2203 Child Care and Development Block Grant Program													
	Budget Authority	14,990	0	0	0	0	0	0	0	0	0	0	14,990	14,990
	Estimated Outlays	2,998	4,797	4,197	2,998	0	0	0	0	0	0	0	14,990	14,990
	Child Care Stabilization													
	Budget Authority	23,975	0	0	0	0	0	0	0	0	0	0	23,975	23,975
	Estimated Outlays	4,555	12,467	6,473	480	0	0	0	0	0	0	0	23,975	23,975
	Child Care Administration													
	Budget Authority	35	0	0	0	0	0	0	0	0	0	0	35	35
	Estimated Outlays	4	11	11	7	2	*	0	0	0	0	0	35	35
Sec.	2205 Head Start													
	Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000
	Estimated Outlays	200	750	50	0	0	0	0	0	0	0	0	1,000	1,000
Sec.	2206 Programs for Survivors													
	Budget Authority	450	0	0	0	0	0	0	0	0	0	0	450	450
	Estimated Outlays	68	225	113	23	21	0	0	0	0	0	0	450	450
Sec.	2207 Child Abuse Prevention and Treatment													
	Budget Authority	350	0	0	0	0	0	0	0	0	0	0	350	350
	Estimated Outlays	53	175	88	18	16	0	0	0	0	0	0	350	350
Sec.	2208 LIHEAP													
	Budget Authority	4,500	0	0	0	0	0	0	0	0	0	0	4,500	4,500
	Estimated Outlays	1,508	1,727	467	422	188	188	0	0	0	0	0	4,500	4,500
Sec.	2209 Department of Health and Human Services													
	Budget Authority	425	0	0	0	0	0	0	0	0	0	0	425	425
	Estimated Outlays	13	17	64	68	74	70	64	51	4	0	0	425	425
Sec.	2210 Corporation for National and Community Service and the National Service Trust													
	Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000
	Estimated Outlays	200	425	130	90	75	50	30	0	0	0	0	1,000	1,000
Subtotal, Subtitle C														
	Budget Authority	48,445	0	0	0	0	0	0	0	0	0	0	48,445	48,445
	Estimated Outlays	10,384	21,331	11,763	4,134	376	308	94	51	4	0	0	48,445	48,445
Subtitle D. Child Nutrition & Related Programs														
Sec.	2301 Improvements to WIC Benefits													
	Budget Authority	490	0	0	0	0	0	0	0	0	0	0	490	490
	Estimated Outlays	490	0	0	0	0	0	0	0	0	0	0	490	490
Sec.	2302 WIC Program Modernization													
	Budget Authority	390	0	0	0	0	0	0	0	0	0	0	390	390
	Estimated Outlays	59	156	137	38	0	0	0	0	0	0	0	390	390
Sec.	2303 Meals and Supplements Reimbursements for Individuals who have not Attained the Age of 25													
	Estimated Budget Authority	70	110	0	0	0	0	0	0	0	0	0	180	180
	Estimated Outlays	70	110	0	0	0	0	0	0	0	0	0	180	180
Sec.	2304 Pandemic EBT Program													
	Estimated Budget Authority	5,560	*	0	0	0	0	0	0	0	0	0	5,560	5,560
	Estimated Outlays	5,560	*	0	0	0	0	0	0	0	0	0	5,560	5,560
Subtotal, Subtitle D														
	Estimated Budget Authority	6,510	110	0	0	0	0	0	0	0	0	0	6,620	6,620
	Estimated Outlays	6,179	266	137	38	0	0	0	0	0	0	0	6,620	6,620

Table 1.
Estimated Budgetary Effects of Reconciliation Recommendations
As Ordered Reported by the House Committee on Education and Labor on February 9, 2021

		By Fiscal Year, Millions of Dollars													
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-2030	2021-2031	
Increases or Decreases (-) in Direct Spending															
Subtitle E. COBRA Continuation Coverage															
Sec.	2401	Preserving Health Benefits for Workers ^{b,c}													
		Estimated Budget Authority	-5,915	-171	0	0	0	0	0	0	0	0	0	-6,086	-6,086
		Estimated Outlays	-5,918	-168	0	0	0	0	0	0	0	0	0	-6,086	-6,086
Total Increase in Direct Spending (on- and off-budget)		Estimated Budget Authority	219,358	1,982	2,915	3,711	4,984	6,478	8,186	8,545	8,446	10,018	12,671	274,623	287,294
		Estimated Outlays	22,849	70,301	53,683	40,378	29,559	18,593	13,189	11,167	9,360	10,994	13,712	280,073	293,784
Total Increase in Direct Spending (on-budget)		Estimated Budget Authority	219,358	1,976	2,881	3,505	4,359	5,300	6,589	6,505	5,922	6,910	8,830	263,305	272,135
		Estimated Outlays	22,849	70,295	53,649	40,172	28,934	17,415	11,592	9,127	6,836	7,886	9,871	268,755	278,625
Total Increase in Direct Spending (off-budget)		Estimated Budget Authority	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159
		Estimated Outlays	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159
Increases or Decreases (-) in Revenues															
Subtitle B. Labor Matters															
Sec.	2101	Raising the Federal Minimum Wage ^{a,b}													
		Total Revenues	-14	43	-222	-250	-2,313	1,090	2,839	3,792	4,638	5,099	5,047	14,702	19,749
		On-budget Revenues	-72	-313	-1,283	-2,497	-5,914	-3,349	-2,080	-1,350	-697	-321	-305	-17,876	-18,181
		Off-budget Revenues	58	356	1,061	2,247	3,601	4,439	4,919	5,142	5,335	5,420	5,352	32,578	37,930
Subtitle E. COBRA Continuation Coverage															
Sec.	2401	Preserving Health Benefits for Workers ^{b,c}													
		Total Revenues	-11,972	-3,991	0	0	0	0	0	0	0	0	0	-15,963	-15,963
		On-budget Revenues	-11,976	-3,992	0	0	0	0	0	0	0	0	0	-15,968	-15,968
		Off-budget Revenues	4	1	0	0	0	0	0	0	0	0	0	5	5
Revenues		Total Revenues	-11,986	-3,948	-222	-250	-2,313	1,090	2,839	3,792	4,638	5,099	5,047	-1,261	3,786
		On-budget Revenues	-12,048	-4,305	-1,283	-2,497	-5,914	-3,349	-2,080	-1,350	-697	-321	-305	-33,844	-34,149
		Off-budget Revenues	62	357	1,061	2,247	3,601	4,439	4,919	5,142	5,335	5,420	5,352	32,583	37,935
Net Increase or Decrease (-) in the Deficit															
From Changes in Direct Spending and Revenues															
Estimated Changes in the Deficit			34,835	74,249	53,905	40,628	31,872	17,503	10,350	7,375	4,722	5,895	8,665	281,334	289,998
		On-Budget Deficit	34,897	74,600	54,932	42,669	34,848	20,764	13,672	10,477	7,533	8,207	10,176	302,599	312,774
		Off-Budget Deficit	-62	-351	-1,027	-2,041	-2,976	-3,261	-3,322	-3,102	-2,811	-2,312	-1,511	-21,265	-22,776

Components may not sum to totals because of rounding.

Estimates relative to CBO's February 2021 baseline.

LIHEAP = Low Income Home Energy Assistance Program; Pandemic EBT = Pandemic Electronic Benefits Transfer Program; WIC = Special Supplemental Nutrition Program for Women, Infants and Children; n.a. = not applicable; * = between -\$500,000 and \$500,000.

Off-budget effects are designated by law as excluded from budget totals. The revenues and outlays of the two Social Security trust funds (the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund) and the transactions of the Postal Service are off-budget. All effects in this table are on-budget unless otherwise noted.

- a. For more detail, see Congressional Budget Office, The Budgetary Effects of the Raise the Wage Act of 2021 (February 2021), www.cbo.gov/publication/56975.
- b. These sections would affect direct spending and revenues, which are shown separately.
- c. The estimated budgetary effects shown here differ from the estimated effects of the same provision that was included in the Reconciliation Recommendations of the House Committee on Ways and Means. The estimated budgetary effects of the provision in the Ways & Means legislation accounted for interactions with sections 9661 and 9663 in subtitle G of that legislation, which would increase marketplace subsidies for certain individuals, whereas this estimate does not.