

106TH CONGRESS
2D SESSION

S. 2229

To provide for digital empowerment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 9, 2000

Ms. MILULSKI (for herself, Mr. KENNEDY, Mr. BINGAMAN, Mr. LEVIN, Mr. SARBANES, Mrs. MURRAY, Mrs. LINCOLN, Mrs. BOXER, Mr. JOHNSON, Mr. KERRY, Mr. DURBIN, Mr. HOLLINGS, Mr. REID, Mr. ROCKEFELLER, Mr. BREAUX, Mr. DORGAN, Mr. TORRICELLI, Mr. BAUCUS, Mr. DODD, Mr. CLELAND, and Mrs. FEINSTEIN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To provide for digital empowerment, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Digital Empowerment Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Purposes.
- Sec. 3. Findings.
- Sec. 4. Definitions.

TITLE I—ONE-STOP SHOP FOR TECHNOLOGY EDUCATION

- Sec. 101. One-stop shop for technology education.
 Sec. 102. National repository of effective uses of educational technology.

TITLE II—DIGITAL EDUCATION

- Sec. 201. National challenge grants for technology in education.
 Sec. 202. Local uses of funds.
 Sec. 203. Additional requirement for local applications.
 Sec. 204. Teacher training.

TITLE III—EXPANSION OF UNIVERSAL SERVICE ASSISTANCE

- Sec. 301. Additional uses of universal service assistance by educational providers.
 Sec. 302. Eligibility for universal service assistance of head start agencies and organizations that receive Federal job training funds.

TITLE IV—E-CORPS PROGRAMS

- Sec. 401. E-corps.

TITLE V—COMMUNITY TECHNOLOGY CENTERS

- Sec. 501. Community technology centers.

TITLE VI—NEIGHBORHOOD NETWORKS FOR PUBLIC HOUSING

- Sec. 601. Computer access for public housing residents.

TITLE VII—INCENTIVES FOR TECHNOLOGY ASSISTANCE

- Sec. 701. Enhanced deduction for corporate donations of computer technology.

TITLE VIII—DEMONSTRATION PROJECT IN K-12 EDUCATION TECHNOLOGY

- Sec. 801. Demonstration project.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are the following:

3 (1) To enable every child in America to cross
 4 the digital divide by ensuring that all children have
 5 access to technology and technology education.

6 (2) To ensure that every child is computer lit-
 7 erate by the time the child finishes 8th grade, re-
 8 gardless of the child's race, ethnicity, gender, in-
 9 come, geography, or disability.

1 **SEC. 3. FINDINGS.**

2 Congress makes the following findings:

3 (1) A digital divide exists in America. Low-in-
4 come, urban, and rural families are less likely to
5 have access to the Internet and computers. Black
6 and Hispanic families are only $\frac{2}{5}$ as likely to have
7 Internet access as white families.

8 (2) The Digital divide for the poorest Ameri-
9 cans has grown by 29% since 1997.

10 (3) Over 50 percent of schools lack the infra-
11 structure needed to support new technology.

12 (4) While 51 percent of classrooms nationally
13 are wired to the Internet, only 39 percent of class-
14 rooms with high levels of poverty are connected to
15 the Internet.

16 (5) Predominantly white schools are almost
17 twice as likely to be linked to the Internet than are
18 schools that have predominately minority children.

19 (6) Approximately 4 out of 10 teachers have
20 had no training in using the Internet.

21 (7) Hispanics and African-Americans rely less
22 on home or work sites and more on schools and li-
23 braries for Internet access.

24 (8) Regardless of income level, Americans living
25 in rural areas are lagging behind in Internet access.
26 At the lowest income levels, those in urban areas are

1 more than twice as likely to have Internet access
 2 than those in rural areas.

3 (9) In the digital economy, access to technology
 4 is a fundamental civil right.

5 (10) To ensure that no child is left behind, all
 6 children must have access to computers, the Inter-
 7 net, and teachers trained in the use of computers
 8 and the Internet in their schools, libraries, and com-
 9 munities.

10 **SEC. 4. DEFINITIONS.**

11 The terms used in this Act have the meanings given
 12 the terms in section 14101 of the Elementary and Sec-
 13 ondary Education Act of 1965 (20 U.S.C. 8801).

14 **TITLE I—ONE-STOP SHOP FOR** 15 **TECHNOLOGY EDUCATION**

16 **SEC. 101. ONE-STOP SHOP FOR TECHNOLOGY EDUCATION.**

17 Section 216 of the Department of Education Organi-
 18 zation Act (as added by Public Law 103–227) (20 U.S.C.
 19 3425) is amended—

20 (1) in subsection (a)—

21 (A) by striking “Director” each place the
 22 term appears and inserting “Assistant Sec-
 23 retary”; and

24 (B) by adding at the end the following:

25 “The Office shall be a one-stop shop for all

1 technology education programs within the De-
 2 partment, provide schools and community
 3 groups with information with respect to tech-
 4 nology education programs and sources of
 5 funds, and serve as a clearinghouse with respect
 6 to information on public and private efforts to
 7 bring technology to areas underserved by tech-
 8 nology.”;

9 (2) in subsection (b), by striking “Director”
 10 each place the term appears and inserting “Assist-
 11 ant Secretary”;

12 (3) in subsection (c), by striking “Director”
 13 and inserting “Assistant Secretary”; and

14 (4) by redesignating such section (as so amend-
 15 ed) as section 218 of such Act.

16 **SEC. 102. NATIONAL REPOSITORY OF EFFECTIVE USES OF**
 17 **EDUCATIONAL TECHNOLOGY.**

18 Section 3122(c) of the Elementary and Secondary
 19 Education Act of 1965 (20 U.S.C. 6832(c)) is amended—

20 (1) in paragraph (15), by striking “and” at the
 21 end;

22 (2) by redesignating paragraph (16) as para-
 23 graph (17); and

24 (3) by inserting after paragraph (15) the fol-
 25 lowing:

1 “(16) the development of a national repository
 2 of information on the effective uses of educational
 3 technology and the dissemination of that information
 4 nationwide; and”.

5 **TITLE II—DIGITAL EDUCATION**

6 **SEC. 201. NATIONAL CHALLENGE GRANTS FOR TECH-** 7 **NOLOGY IN EDUCATION.**

8 Section 3132 of the Elementary and Secondary Edu-
 9 cation Act of 1965 (20 U.S.C. 6842) is amended—

10 (1) in subsection (a)(2), by adding at the end
 11 the following:

12 “(C) In awarding grants under subparagraph
 13 (A), each State educational agency shall give priority
 14 to local educational agencies that have—

15 “(i) the highest numbers or percent-
 16 ages of children in poverty; and

17 “(ii) a substantial need for assistance
 18 in acquiring and using technology.”; and

19 (2) by adding at the end the following:

20 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
 21 are authorized to be appropriated to carry out this section
 22 \$850,000,000 for fiscal year 2001 and such sums as may
 23 be necessary for each of the 4 succeeding fiscal years.”.

1 **SEC. 202. LOCAL USES OF FUNDS.**

2 Section 3134 of the Elementary and Secondary Edu-
3 cation Act of 1965 (20 U.S.C. 6844) is amended—

4 (1) in paragraph (5), by striking “and” at the
5 end;

6 (2) in paragraph (6), by striking the period and
7 inserting a semicolon; and

8 (3) by adding at the end the following:

9 “(7) providing intensive training in the use of
10 technology to school librarians and library media
11 specialists; and

12 “(8) providing technical support and services to
13 assist schools in maintaining their educational tech-
14 nology.”.

15 **SEC. 203. ADDITIONAL REQUIREMENT FOR LOCAL APPLI-**
16 **CATIONS.**

17 Section 3135 of the Elementary and Secondary Edu-
18 cation Act of 1965 (20 U.S.C. 6845) is amended—

19 (1) in paragraph (3), by striking “and” at the
20 end;

21 (2) in paragraph (4), by striking the period and
22 inserting “; and”; and

23 (3) by adding at the end the following:

24 “(5) describe how the local educational agency
25 will ensure that school libraries and media centers
26 possess equipment and trained personnel that en-

1 ables them to provide access to information in for-
 2 mats made possible by new information and commu-
 3 nication technologies.”.

4 **SEC. 204. TEACHER TRAINING.**

5 (a) TEACHER TECHNOLOGY PREPARATION ACAD-
 6 EMIES.—

7 (1) GRANTS AUTHORIZED.—The Secretary of
 8 Education is authorized to award grants under sub-
 9 section (b) to State educational agencies to enable
 10 the State educational agencies to establish Teacher
 11 Technology Preparation Academies within the State
 12 that—

13 (A) provide teachers, librarians, and li-
 14 brary media specialists with training to acquire
 15 or upgrade technology skills in order to use
 16 technology effectively in the classroom;

17 (B) have training plans developed by a
 18 local educational agency; and

19 (C) encourage teachers, librarians, and li-
 20 brary media specialists trained at the academies
 21 to return to their schools and act as technology
 22 instructors for other teachers, librarians, and li-
 23 brary media specialists.

24 (2) FORMULA.—The Secretary of Education
 25 shall award grants to State educational agencies

under subsection (a) in the same manner as the Secretary awards grants to State educational agencies under sections 3131 and 3132 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6841, 6842).

(3) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this subsection \$250,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(b) NEW TEACHER TRAINING.—

(1) GRANTS AUTHORIZED.—The Secretary of

Education is authorized to award grants, on a competitive basis, to institutions of higher education to enable the institutions to train students entering the teaching workforce to use technology effectively in the classroom.

(2) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this subsection \$150,000,000 for fiscal year 2001 and such sums as may be necessary for each of the 4 succeeding fiscal years.

(c) LIBRARIES.—

(1) GRANTS AUTHORIZED.—The Secretary of

Education is authorized to award grants to State

1 educational agencies to enable the State educational
 2 agencies to provide school library technology and
 3 training for school librarians and library media spe-
 4 cialists.

5 (2) AUTHORIZATION OF APPROPRIATIONS.—

6 There are authorized to be appropriated to carry out
 7 this subsection \$250,000,000 for fiscal year 2001
 8 and such sums as may be necessary for each of the
 9 4 succeeding fiscal years.

10 **TITLE III—EXPANSION OF UNI-** 11 **VERSAL SERVICE ASSIST-** 12 **ANCE**

13 **SEC. 301. ADDITIONAL USES OF UNIVERSAL SERVICE AS-** 14 **SISTANCE BY EDUCATIONAL PROVIDERS.**

15 (a) STRUCTURED AFTER-SCHOOL ACTIVITIES.—Sub-
 16 paragraph (B) of section 254(h)(1) of the Communica-
 17 tions Act of 1934 (47 U.S.C. 254(h)(1)) is amended by
 18 inserting “(including structured after-school activities)”
 19 after “for educational purposes”.

20 (b) MAINTENANCE AND REPAIR OF TECHNOLOGY.—

21 Section 254(h)(1) of the Communications Act of 1934 (47
 22 U.S.C. 254(h)(1)) is amended—

23 (1) by designating the third sentence of sub-
 24 paragraph (B) as subparagraph (E) and inserting at

1 the beginning of such subparagraph (E) the fol-
 2 lowing:

3 “(E) OFFSET.—”; and

4 (2) in subparagraph (B)—

5 (A) by striking “(B) EDUCATIONAL PRO-
 6 VIDERS AND LIBRARIES.—All telecommuni-
 7 cations carriers” and inserting the following:

8 “(B) EDUCATIONAL PROVIDERS AND LI-
 9 BRARIES.—

10 “(i) IN GENERAL.—All telecommuni-
 11 cations carriers”;

12 (B) by designating the second sentence as
 13 clause (ii) and inserting at the beginning of
 14 such clause the following:

15 “(ii) AMOUNT OF DISCOUNT.—”; and

16 (C) by adding after clause (ii), as des-
 17 ignated by subparagraph (B), the following:

18 “(iii) MAINTENANCE AND REPAIR OF
 19 TECHNOLOGY.—An elementary school or
 20 secondary school that receives funds under
 21 this subparagraph in lieu (whether in
 22 whole or in part) of discounts under this
 23 subparagraph may use such funds for pur-
 24 poses of the maintenance and repair of
 25 technology necessary for the utilization of

1 services for which discounts are available
 2 under this subparagraph.”.

3 **SEC. 302. ELIGIBILITY FOR UNIVERSAL SERVICE ASSIST-**
 4 **ANCE OF HEAD START AGENCIES AND ORGA-**
 5 **NIZATIONS THAT RECEIVE FEDERAL JOB**
 6 **TRAINING FUNDS.**

7 (a) ELIGIBILITY OF HEAD START AGENCIES.—Sec-
 8 tion 254(h)(1) of the Communications Act of 1934 (47
 9 U.S.C. 254(h)(1)), as amended by section 301 of this Act,
 10 is amended by inserting after subparagraph (B) the fol-
 11 lowing:

12 “(C) HEAD START AGENCIES.—A Head
 13 Start agency shall be provided services under
 14 this paragraph to the same extent, and subject
 15 to the same conditions and limitations, as ele-
 16 mentary schools, secondary schools, and librar-
 17 ies are provided services under subparagraph
 18 (B).”.

19 (b) ELIGIBILITY OF ORGANIZATIONS RECEIVING
 20 FEDERAL JOB TRAINING FUNDS.—Section 254(h)(1) of
 21 the Communications Act of 1934 (47 U.S.C. 254(h)(1))
 22 is amended by inserting after subparagraph (C), as in-
 23 serted by subsection (a) of this section, the following:

24 “(D) ORGANIZATIONS RECEIVING FEDERAL
 25 JOB TRAINING FUNDS.—An organization that

1 receives Federal funds to provide job training
 2 services shall be provided services under this
 3 paragraph the same extent, and subject to the
 4 same conditions and limitations, as elementary
 5 schools, secondary schools, and libraries are
 6 provided services under subparagraph (B).”.

7 (c) HEAD START AGENCY DEFINED.—Section
 8 254(h)(5) of the Communications Act of 1934 (47 U.S.C.
 9 254(h)(1)) is amended by adding at the end the following:

10 “(D) HEAD START AGENCY.—The term
 11 ‘Head Start agency’ means an agency des-
 12 ignated under section 641 of the Head Start
 13 Act (42 U.S.C. 9836).”.

14 (d) CONFORMING AMENDMENTS.—Section 254 of the
 15 Communications Act of 1934 (47 U.S.C. 254) is
 16 amended—

17 (1) in subsection (b)(6)—

18 (A) in the paragraph heading by striking
 19 “AND LIBRARIES” and inserting “LIBRARIES,
 20 HEAD START AGENCIES, AND CERTAIN OTHER
 21 ORGANIZATIONS”; and

22 (B) by striking “and libraries” and insert-
 23 ing “libraries, Head Start agencies, and organi-
 24 zations that receive Federal job training
 25 funds”;

1 (2) in subsection (c)(3), by striking “and health
2 care providers” and inserting “health care providers,
3 Head Start agencies, and organizations that receive
4 Federal job training funds”; and

5 (3) in subsection (h)(2)(A), by striking “and li-
6 braries” and inserting “libraries, Head Start agen-
7 cies, and organizations that receive Federal job
8 training funds”.

9 **TITLE IV—E-CORPS PROGRAMS**

10 **SEC. 401. E-CORPS.**

11 (a) PROGRAMS.—Section 122(a) of the National and
12 Community Service Act of 1990 (42 U.S.C. 12572(a)) is
13 amended—

14 (1) by redesignating paragraph (15) as para-
15 graph (16); and

16 (2) by inserting after paragraph (14) the fol-
17 lowing new paragraph:

18 “(15) An E-Corps program that involves par-
19 ticipants who are proficient in technology and who
20 provide service in a community by developing and
21 assisting in carrying out technology programs in ele-
22 mentary schools, secondary schools, and community
23 centers.”.

1 (b) RULES.—Section 122 of the National and Com-
 2 munity Service Act of 1990 (42 U.S.C. 12572) is amended
 3 by adding at the end the following:

4 “(d) IMPLEMENTATION.—In carrying out this title,
 5 and in particular in establishing priorities as described in
 6 subsection (c), in distributing funding as described in sec-
 7 tion 129, and in applying the criteria, considerations, and
 8 rules of emphasis described in subsections (c) through (e)
 9 of section 133, the Corporation shall ensure that none of
 10 the funds described in section 501(a)(2)(B) is used for
 11 a purpose other than carrying out programs described in
 12 subsection (a)(15).”.

13 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
 14 501(a)(2)(B) of the National and Community Service Act
 15 of 1990 (42 U.S.C. 12681(a)(2)(B)) is amended—

16 (1) by striking “fiscal year, up to 15” and in-
 17 serting the following: “fiscal year—

18 “(i) up to 15”;

19 (2) by striking the period and inserting “;
 20 and”; and

21 (3) by adding at the end the following:

22 “(ii) \$25,000,000 shall be made avail-
 23 able to carry out programs described in
 24 section 122(a)(15) and provide national
 25 service educational awards under subtitle

1 D of title I to participants in such pro-
 2 grams.”.

3 **TITLE V—COMMUNITY**
 4 **TECHNOLOGY CENTERS**

5 **SEC. 501. COMMUNITY TECHNOLOGY CENTERS.**

6 Part A of title III of Elementary and Secondary Edu-
 7 cation Act of 1965 (20 U.S.C. 6811–6871) is amended
 8 by adding at the end the following:

9 **“Subpart 5—Community Technology Centers**

10 **“SEC. 3161. “PURPOSE; PROGRAM AUTHORITY.**

11 “(a) PURPOSE.—The purpose of this subpart is to
 12 assist eligible applicants to—

13 “(1) create or expand community technology
 14 centers that will provide disadvantaged residents of
 15 economically distressed urban and rural communities
 16 with access to information technology and related
 17 training; and

18 “(2) provide technical assistance and support to
 19 community technology centers.

20 “(b) PROGRAM AUTHORITY.—

21 “(1) IN GENERAL.—The Secretary is author-
 22 ized, through the Office of Educational Technology,
 23 to award grants, contracts, or cooperative agree-
 24 ments on a competitive basis to eligible applicants in
 25 order to assist them in—

1 “(A) creating or expanding community
2 technology centers; or

3 “(B) providing technical assistance and
4 support to community technology centers.

5 “(2) PERIOD OF AWARD.—The Secretary may
6 award grants, contracts, or cooperative agreements
7 under this subpart for a period of not more than 3
8 years.

9 **“SEC. 3162. ELIGIBILITY AND APPLICATION REQUIRE-**
10 **MENTS.**

11 “(a) ELIGIBLE APPLICANTS.—In order to be eligible
12 to receive an award under this subpart, an applicant
13 shall—

14 “(1) have the capacity to expand significantly
15 access to computers and related services for dis-
16 advantaged residents of economically distressed
17 urban and rural communities (who would otherwise
18 be denied such access); and

19 “(2) be—

20 “(A) an entity such as a foundation, mu-
21 seum, library, for-profit business, public or pri-
22 vate nonprofit organization, or community-
23 based organization;

24 “(B) an institution of higher education;

25 “(C) a State educational agency;

1 “(D) a local education agency; or

2 “(E) a consortium of entities described in
3 subparagraph (A), (B), (C), or (D).

4 “(b) APPLICATION REQUIREMENTS.—In order to re-
5 ceive an award under this subpart, an eligible applicant
6 shall submit an application to the Secretary at such time,
7 and containing such information, as the Secretary may re-
8 quire. Such application shall include—

9 “(1) a description of the proposed project, in-
10 cluding a description of the magnitude of the need
11 for the services and how the project would expand
12 access to information technology and related services
13 to disadvantaged residents of an economically dis-
14 tressed urban or rural community;

15 “(2) a demonstration of—

16 “(A) the commitment, including the finan-
17 cial commitment, of entities such as institu-
18 tions, organizations, businesses, and other
19 groups in the community that will provide sup-
20 port for the creation, expansion, and continu-
21 ation of the proposed project; and

22 “(B) the extent to which the proposed
23 project establishes linkages with other appro-
24 priate agencies, efforts, and organizations pro-
25 viding services to disadvantaged residents of an

1 economically distressed urban or rural commu-
 2 nity;

3 “(3) a description of how the proposed project
 4 would be sustained once the Federal funds awarded
 5 under this subpart are expended; and

6 “(4) a plan for the evaluation of the program,
 7 which shall include benchmarks to monitor progress
 8 toward specific project objectives.

9 “(c) MATCHING REQUIREMENTS.—The Federal
 10 share of the cost of any project funded under this subpart
 11 shall not exceed 50 percent. The non-Federal share of
 12 such project may be in cash or in kind, fairly evaluated,
 13 including services.

14 **“SEC. 3163. USES OF FUNDS.**

15 “(a) REQUIRED USES.—A recipient shall use funds
 16 awarded under this subpart for—

17 “(1) creating or expanding community tech-
 18 nology centers that expand access to information
 19 technology and related training for disadvantaged
 20 residents of distressed urban or rural communities;
 21 and

22 “(2) evaluating the effectiveness of the project.

23 “(b) PERMISSIBLE USES.—A recipient may use funds
 24 awarded under this subpart for activities described in its

1 application that carry out the purposes of this subpart,
2 such as—

3 “(1) supporting a center coordinator, and staff,
4 to supervise instruction and build community part-
5 nerships;

6 “(2) acquiring equipment, networking capabili-
7 ties, and infrastructure to carry out the project;

8 “(3) developing and providing services and ac-
9 tivities for community residents that provide access
10 to computers, information technology, and the use of
11 such technology in support of preschool preparation,
12 academic achievement, lifelong learning, and work-
13 force development, such as—

14 “(A) after-school activities in which chil-
15 dren and youths use software that provides aca-
16 demic enrichment and assistance with home-
17 work, develops their technical skills, and allows
18 them to explore the Internet and participate in
19 multimedia activities, including webpage design
20 and creation;

21 “(B) adult education and family literacy
22 activities through technology and the Internet,
23 including—

1 “(i) General Education Development,
 2 English as a Second Language, and adult
 3 basic education classes or programs;

4 “(ii) introduction to computers;

5 “(iii) intergenerational activities; and

6 “(iv) lifelong learning opportunities;

7 “(C) career development and job prepara-
 8 tion activities, such as—

9 “(i) training in basic and advanced
 10 computer skills;

11 “(ii) resume writing workshops; and

12 “(iii) access to databases of employ-
 13 ment opportunities, career information,
 14 and other online materials.

15 “(D) small business activities, such as—

16 “(i) computer-based training for basic
 17 entrepreneurial skills and electronic com-
 18 merce; and

19 “(ii) access to information on business
 20 startup programs that is available online,
 21 or from other sources;

22 “(E) activities that provide home access to
 23 computers and technology, such as assistance
 24 and services to promote the acquisition, instal-
 25 lation, and use of information technology in the

1 home through low-cost solutions such as
 2 networked computers, web-based television de-
 3 vices, and other technology.

4 **“SEC. 3164. AUTHORIZATION OF APPROPRIATIONS.**

5 “There is authorized to be appropriated to carry out
 6 this subpart, \$100,000,000 for fiscal year 2001 and such
 7 sums as may be necessary for each of the 4 succeeding
 8 fiscal years.”.

9 **TITLE VI—NEIGHBORHOOD NET-**
 10 **WORKS FOR PUBLIC HOUSING**

11 **SEC. 601. COMPUTER ACCESS FOR PUBLIC HOUSING RESI-**
 12 **DENTS.**

13 (a) USE OF PUBLIC HOUSING CAPITAL AND OPER-
 14 ATING FUNDS.—Section 9 of the United States Housing
 15 Act of 1937 (42 U.S.C. 1437g) is amended—

16 (1) in subsection (d)(1)(E), by inserting before
 17 the semicolon the following: “, including the estab-
 18 lishment and initial operation of computer centers in
 19 and around public housing through a Neighborhood
 20 Networks initiative, for the purpose of enhancing the
 21 self-sufficiency, employability, and economic self-reli-
 22 ance of public housing residents by providing them
 23 with onsite computer access and training resources”;

24 (2) in subsection (e)(1)—

1 (A) in subparagraph (I), by striking the
2 “and” at the end;

3 (B) in subparagraph (J), by striking the
4 period and inserting”; and”; and

5 (C) by adding after subparagraph (J) the
6 following:

7 “(K) the costs of operating computer cen-
8 ters in public housing through a Neighborhood
9 Networks initiative described in subsection
10 (d)(1)(E), and of activities related to that ini-
11 tiative.”; and

12 (3) in subsection (h)—

13 (A) in paragraph (6), by striking the
14 “and” at the end;

15 (B) in paragraph (7), by striking the pe-
16 riod and inserting “; and”; and

17 (C) by inserting after paragraph (7) the
18 following:

19 “(8) assistance in connection with the establish-
20 ment and operation of computer centers in public
21 housing through a Neighborhood Networks initiative
22 described in subsection (d)(1)(E).”.

23 (b) DEMOLITION, SITE REVITALIZATION, REPLACE-
24 MENT HOUSING, AND TENANT-BASED ASSISTANCE

1 GRANTS FOR PROJECTS.—Section 24 of the United States
 2 Housing Act of 1937 (42 U.S.C. 1437v) is amended—

3 (1) in subsection (d)(1)(G), by inserting before
 4 the semicolon the following: “, including a Neighbor-
 5 hood Networks initiative for the establishment and
 6 operation of computer centers in public housing for
 7 the purpose of enhancing the self-sufficiency, em-
 8 ployability, and economic self-reliance of public hous-
 9 ing residents by providing them with onsite com-
 10 puter access and training resources”; and

11 (2) in subsection (m)(2), in the first sentence,
 12 by inserting before the period the following: “, in-
 13 cluding assistance in connection with the establish-
 14 ment and operation of computer centers in public
 15 housing through the Neighborhoods Networks initia-
 16 tive described in subsection (d)(1)(G)”.

17 **TITLE VII—INCENTIVES FOR**
 18 **TECHNOLOGY ASSISTANCE**

19 **SEC. 701. ENHANCED DEDUCTION FOR CORPORATE DONA-**
 20 **TIONS OF COMPUTER TECHNOLOGY.**

21 (a) EXPANSION OF COMPUTER TECHNOLOGY DONA-
 22 TIONS TO HEAD START CENTERS, STRUCTURED AFTER-
 23 SCHOOL PROGRAMS, AND CERTAIN PUBLIC LIBRARIES
 24 AND COMMUNITY CENTERS.—

1 (1) IN GENERAL.—Paragraph (6) of section
 2 170(e) of the Internal Revenue Code of 1986 (relat-
 3 ing to special rule for contributions of computer
 4 technology and equipment for elementary or sec-
 5 ondary school purposes) is amended by striking
 6 “qualified elementary or secondary educational con-
 7 tribution” each place it occurs in the headings and
 8 text and inserting “qualified computer contribution”.

9 (2) EXPANSION OF ELIGIBLE DONEES.—Sub-
 10 clause (II) of section 170(e)(6)(B)(i) of such Code
 11 (relating to qualified elementary or secondary edu-
 12 cational contribution) is amended by striking “or” at
 13 the end of subclause (I) and by inserting after sub-
 14 clause (II) the following new subclauses:

15 “(III) a Head Start agency des-
 16 ignated under section 641 of the
 17 Head Start Act (42 U.S.C. 9836),

18 “(IV) a structured after-school
 19 program,

20 “(V) a public library (within the
 21 meaning of section 213(2)(A) of the
 22 Library Services and Technology Act
 23 (20 U.S.C. 9122(2)(A)), as in effect
 24 on the date of the enactment of the
 25 New Millennium Classrooms Act, es-

1 tablished and maintained by an entity
 2 described in subsection (c)(1) and lo-
 3 cated in an empowerment zone or en-
 4 terprise community designated under
 5 part I of subchapter U or a popu-
 6 lation census tract within which the
 7 poverty rate is not less than 20 per-
 8 cent (as determined under part I of
 9 subchapter U), or
 10 “(VI) a community center located
 11 in such a zone, community, or census
 12 tract,”.

13 (b) DONATIONS OF COMPUTER TRAINING AND MAIN-
 14 TENANCE ALLOWED.—Subparagraph (B) of section
 15 170(e)(6) of the Internal Revenue Code of 1986 is amend-
 16 ed by inserting “(including training or maintenance serv-
 17 ices with respect to such technology or equipment)” after
 18 “computer technology or equipment”.

19 (c) CONFORMING AMENDMENTS.—

20 (1) Section 170(e)(6)((B)(iv) of the Internal
 21 Revenue Code of 1986 is amended by striking “in
 22 any grades K–12”.

23 (2) The heading of paragraph (6) of section
 24 170(e) of such Code is amended by striking “ELE-

1 MENTARY OR SECONDARY SCHOOL PURPOSES” and
 2 inserting “EDUCATIONAL PURPOSES”.

3 (d) EXTENSION OF DEDUCTION.—Section
 4 170(e)(6)(F) of the Internal Revenue Code of 1986 (relat-
 5 ing to termination) is amended by striking “during any
 6 taxable year beginning after December 31, 2000” and in-
 7 serting “after June 30, 2004”.

8 (e) EFFECTIVE DATE.—The amendments made by
 9 this section shall apply to contributions made after De-
 10 cember 31, 2000.

11 **TITLE VIII—DEMONSTRATION** 12 **PROJECT IN K-12 EDUCATION** 13 **TECHNOLOGY**

14 **SEC. 801. DEMONSTRATION PROJECT.**

15 (a) REQUIREMENT TO UNDERTAKE PROJECT.—

16 (1) IN GENERAL.—The Secretary of Education
 17 (referred to in this section as the “Secretary”) shall
 18 conduct a demonstration project that—

19 (A) delivers a highly flexible educational
 20 system designed for kindergarten through grade
 21 12, or a component thereof, that includes hard-
 22 ware, software, training and ongoing support
 23 and professional development;

24 (B) implements an Internet-based, one-to-
 25 one pilot project that specifically targets the

1 educational needs of students in grade 3
2 through grade 12 who reside in low-income
3 school districts; and

4 (C) is conducted by an organization with
5 proven expertise in the research and develop-
6 ment of education technology designed for kin-
7 dergarten through grade 12.

8 (2) REQUIREMENTS.—The demonstration
9 project shall provide for the following:

10 (A) A rugged notebook computer for every
11 student participating in the project.

12 (B) An infrared wireless connection to the
13 school's local area network.

14 (C) A low-cost, high-speed Internet connec-
15 tion.

16 (D) Customized, professional development
17 for technical and instructional staff.

18 (E) An academic information system that
19 provides alignment between curricula, state
20 standards, assessment, and teacher resources.

21 (F) A parental training component.

22 (3) USE OF EXISTING PROGRAMS.—The Sec-
23 retary may contract with a private company or orga-
24 nization to carry out a demonstration under this sec-
25 tion.

1 (4) COORDINATION WITH LOCAL EDUCATIONAL
2 AGENCIES.—Where practicable, the Secretary shall
3 coordinate project implementation and oversight
4 with a local educational agency and a private com-
5 pany, if such a company is used in the project.

6 (5) PREFERENCE FOR LOCATION.—To maxi-
7 mize results, but only to the extent practicable, the
8 demonstration project should be conducted in a loca-
9 tion where a similar program is already at least par-
10 tially underway.

11 (6) REPORT.—

12 (A) IN GENERAL.—Not later than 2 years
13 after the date of the enactment of this Act, the
14 Secretary shall submit a report to the Com-
15 mittee on Education and the Workforce of the
16 House of Representatives that describes the re-
17 sults of the pilot project, the feasibility and
18 costs of implementing the pilot project in the
19 entire public school system, and recommenda-
20 tions for the further deployment of similar edu-
21 cational technology.

22 (B) REQUIREMENTS.—The report shall in-
23 clude a description of—

24 (i) any agreement entered into by the
25 Secretary with other Federal agencies,

1 local educational agencies, or private orga-
2 nizations to complete the project;

3 (ii) the number and location of similar
4 programs;

5 (iii) data on student improvement in
6 meeting state standards and assessment
7 exams; and

8 (iv) the number, if any, of lost or sto-
9 len laptops during the pilot project, and
10 causes thereof, as reported by the local
11 educational agency.

12 (b) AUTHORIZATION OF APPROPRIATIONS.—There
13 are authorized to be appropriated to the Secretary not
14 more than \$20,000,000 for fiscal year 2001 to carry out
15 the demonstration project required under this section.

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